

# STATUS OF VETERANS EMPLOYMENT

---

## HEARING

BEFORE THE  
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY  
OF THE  
COMMITTEE ON VETERANS' AFFAIRS  
U.S. HOUSE OF REPRESENTATIVES  
ONE HUNDRED ELEVENTH CONGRESS  
SECOND SESSION

APRIL 15, 2010

**Serial No. 111-71**

Printed for the use of the Committee on Veterans' Affairs



U.S. GOVERNMENT PRINTING OFFICE

57-015

WASHINGTON : 2010

---

For sale by the Superintendent of Documents, U.S. Government Printing Office  
Internet: bookstore.gpo.gov Phone: toll free (866) 512-1800; DC area (202) 512-1800  
Fax: (202) 512-2104 Mail: Stop IDCC, Washington, DC 20402-0001

## COMMITTEE ON VETERANS' AFFAIRS

BOB FILNER, California, *Chairman*

CORRINE BROWN, Florida	STEVE BUYER, Indiana, <i>Ranking</i>
VIC SNYDER, Arkansas	CLIFF STEARNS, Florida
MICHAEL H. MICHAUD, Maine	JERRY MORAN, Kansas
STEPHANIE HERSETH SANDLIN, South Dakota	HENRY E. BROWN, JR., South Carolina
HARRY E. MITCHELL, Arizona	JEFF MILLER, Florida
JOHN J. HALL, New York	JOHN BOOZMAN, Arkansas
DEBORAH L. HALVORSON, Illinois	BRIAN P. BILBRAY, California
THOMAS S.P. PERRIELLO, Virginia	DOUG LAMBORN, Colorado
HARRY TEAGUE, New Mexico	GUS M. BILIRAKIS, Florida
CIRO D. RODRIGUEZ, Texas	VERN BUCHANAN, Florida
JOE DONNELLY, Indiana	DAVID P. ROE, Tennessee
JERRY MCNERNEY, California	
ZACHARY T. SPACE, Ohio	
TIMOTHY J. WALZ, Minnesota	
JOHN H. ADLER, New Jersey	
ANN KIRKPATRICK, Arizona	
GLENN C. NYE, Virginia	

MALCOM A. SHORTER, *Staff Director*

---

## SUBCOMMITTEE ON ECONOMIC OPPORTUNITY

STEPHANIE HERSETH SANDLIN, South Dakota, *Chairwoman*

THOMAS S.P. PERRIELLO, Virginia	JOHN BOOZMAN, Arkansas, <i>Ranking</i>
JOHN H. ADLER, New Jersey	JERRY MORAN, Kansas
ANN KIRKPATRICK, Arizona	GUS M. BILIRAKIS, Florida
HARRY TEAGUE, New Mexico	

Pursuant to clause 2(e)(4) of Rule XI of the Rules of the House, public hearing records of the Committee on Veterans' Affairs are also published in electronic form. **The printed hearing record remains the official version.** Because electronic submissions are used to prepare both printed and electronic versions of the hearing record, the process of converting between various electronic formats may introduce unintentional errors or omissions. Such occurrences are inherent in the current publication process and should diminish as the process is further refined.

# CONTENTS

April 15, 2010

Status of Veterans Employment .....	Page 1
OPENING STATEMENTS	
Chairwoman Stephanie Herseth Sandlin .....	1
Prepared statement of Chairwoman Herseth Sandlin .....	35
Hon. Gus Bilirakis .....	2
Prepared statement of Congressman Bilirakis .....	35
WITNESSES	
Congressional Research Service, Library of Congress, Christine A. Scott, Specialist in Social Policy, Income Security Section, Domestic Social Policy Division .....	3
Prepared statement of Ms. Scott .....	36
U.S. Department of Labor:	
Philip L. Rones, Deputy Commissioner, Bureau of Labor Statistics .....	6
Prepared statement of Mr. Rones .....	50
Hon. Raymond M. Jefferson, Assistant Secretary, Veterans' Employment and Training Service .....	30
Prepared statement of Mr. Jefferson .....	88
U.S. Office of Personnel Management, Christine M. Griffin, Deputy Director ..	32
Prepared statement of Ms. Griffin .....	93
U.S. Department of Veterans Affairs, Willie Hensley, Principal Deputy Assistant Secretary, Human Resources and Administration .....	33
Prepared statement of Mr. Hensley .....	95
American Legion, Mark Walker, Deputy Director, National Economic Commission .....	
Prepared statement of Mr. Walker .....	13
Iraq and Afghanistan Veterans of America, Tim S. Embree, Legislative Associate .....	59
Prepared statement of Mr. Embree .....	14
National Guard Association of the United States, Colonel Peter J. Duffy, USA (Ret.), Deputy Director of Legislation .....	63
Prepared statement of Colonel Duffy .....	20
Paralyzed Veterans of America, Richard Daley, Associate Legislation Director ..	85
Prepared statement of Mr. Daley .....	16
Reserve Officers Association of the United States, Captain Marshall Hanson, USNR (Ret.), Director, Legislative and Military Policy, and also on behalf of Reserve Enlisted Association .....	71
Prepared statement of Captain Hanson .....	19
Veterans of Foreign Wars of the United States, Justin Brown, Legislative Associate, National Legislative Service .....	79
Prepared statement of Mr. Brown .....	17
	74
MATERIAL SUBMITTED FOR THE RECORD	
Post-Hearing Follow-up Material:	
Philip L. Rones, Deputy Commissioner, Bureau of Labor Statistics, U.S. Department of Labor, to Hon. Stephanie Herseth Sandlin, Chairwoman, and John Boozman, Ranking Republican Member, Subcommittee on Economic Opportunity, letter dated May 3, 2010 .....	99

	Page
Post-Hearing Follow-up Material—Continued	
Congressional Research Service Report for Congress, “Unemployment Compensation (Insurance) and Military Service,” dated April 22, 2010, RS22440, by Julie M. Whittaker, Specialist in Income Security, Congressional Research Service .....	100
Post-Hearing Questions and Responses for the Record:	
Hon. Stephanie Herseth Sandlin, Chairwoman, Subcommittee on Economic Opportunity, Committee on Veterans’ Affairs, to Christine A. Scott, Specialist in Social Policy, Income Security Section, Domestic Social Policy Division, Congressional Research Service, Library of Congress, letter dated April 20, 2010, and response memorandum dated May 11, 2010 .....	104
Hon. Stephanie Herseth Sandlin, Chairwoman, Subcommittee on Economic Opportunity, Committee on Veterans’ Affairs, to Mark Walker, Deputy Director, National Economic Commission, American Legion, letter dated April 20, 2010, and response letter dated May 24, 2010 .....	106
Hon. Stephanie Herseth Sandlin, Chairwoman, Subcommittee on Economic Opportunity, Committee on Veterans’ Affairs, to Tim Embree, Legislative Associate, Iraq and Afghanistan Veterans of America, letter dated April 20, 2010, and Mr. Embree’s responses .....	108
Hon. Stephanie Herseth Sandlin, Chairwoman, Subcommittee on Economic Opportunity, Committee on Veterans’ Affairs, to Richard Daley, Associate Legislation Director, Paralyzed Veterans of America, letter dated April 20, 2010, and response letter and attachment dated May 18, 2010 .....	109
Hon. Stephanie Herseth Sandlin, Chairwoman, Subcommittee on Economic Opportunity, Committee on Veterans’ Affairs, to Justin Brown, Legislative Associate, National Legislative Service, Veterans of Foreign Wars of the United States, letter dated April 20, 2010, and response from Eric A. Hilleman, Deputy Director, National Legislative Service, Veterans of Foreign Wars of the United States .....	112
Hon. Stephanie Herseth Sandlin, Chairwoman, Subcommittee on Economic Opportunity, Committee on Veterans’ Affairs, to Captain Marshall Hanson, USNR (Ret.), Director, Legislative and Military Policy, Reserve Officers Association of the United States, letter dated April 20, 2010, and Captain Hanson’s responses .....	113
Hon. Stephanie Herseth Sandlin, Chairwoman, Subcommittee on Economic Opportunity, Committee on Veterans’ Affairs, to Colonel Peter J. Duffy, USA (Ret.), Deputy Director of Legislation, National Guard Association of the United States, letter dated April 20, 2010, and Colonel Duffy’s responses .....	117
Hon. Stephanie Herseth Sandlin, Chairwoman, Subcommittee on Economic Opportunity, Committee on Veterans’ Affairs, to Hon. Raymond M. Jefferson, Assistant Secretary, Veterans’ Employment and Training Service, U.S. Department of Labor, letter dated April 20, 2010, and DOL’s responses .....	124
Hon. Stephanie Herseth Sandlin, Chairwoman, Subcommittee on Economic Opportunity, Committee on Veterans’ Affairs, to Christine M. Griffin, Deputy Director, U.S. Office of Personnel Management, letter dated April 20, 2010, and OPM’s responses .....	127
Hon. Stephanie Herseth Sandlin, Chairwoman, Subcommittee on Economic Opportunity, Committee on Veterans’ Affairs, to Willie Hensley, Principal Deputy Assistant Secretary, Human Resources and Administration, U.S. Department of Veterans Affairs, letter dated April 20, 2010, and VA responses .....	131

## STATUS OF VETERANS EMPLOYMENT

---

THURSDAY, APRIL 15, 2010

U.S. HOUSE OF REPRESENTATIVES,  
COMMITTEE ON VETERANS' AFFAIRS,  
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY,  
*Washington, DC.*

The Subcommittee met, pursuant to notice, at 2:13 p.m., in Room 334, Cannon House Office Building, Hon. Stephanie Herseth Sandlin [Chairwoman of the Subcommittee] presiding.

Present: Representatives Herseth Sandlin, Perriello, Adler, Teague, and Bilirakis.

### OPENING STATEMENT OF CHAIRWOMAN HERSETH SANDLIN

Ms. HERSETH SANDLIN. Good afternoon, ladies and gentlemen. The Committee on Veterans' Affairs Subcommittee on Economic Opportunity hearing on the Status of Veterans Employment will come to order. I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks and that written statements be made part of the record. Hearing no objections, so ordered.

Today's hearing will provide us an opportunity to review existing programs to help homeless veterans become employed; review barriers to employment; discuss hiring authorities; and learn about possible causes of high unemployment rates among younger veterans and female veterans. Furthermore, we will hear from an array of distinguished panelists, who will highlight the shortfalls of Federal programs while providing recommendations for us to consider regarding veteran employment opportunities. While the high unemployment rates among veterans is disturbing, we will also receive timely updates from Administration officials highlighting their initiatives to address the concerns of our veterans population.

I would like to commend President Obama for implementing Executive Order 13518 to strengthen veteran employment opportunities within the Federal workforce. I would also like to commend the various agencies who have initiated new veterans programs that require no Congressional intervention. These include the Office of Personnel Management's (OPM) new *Feds Hire Vets* Web site, and the Department of Labor's (DOL's) initiative to expand Job Corps participation to military veterans.

I look forward to hearing from all of our witnesses here today. I now recognize our Ranking Member, Mr. Bilirakis, for any opening remarks he may have.

[The prepared statement of Chairwoman Herseth Sandlin appears on p. 35.]

#### **OPENING STATEMENT OF HON. GUS BILIRAKIS**

Mr. BILIRAKIS. Thank you, Madam Chair. I appreciate it very much. Madam Chair, our oversight agenda has covered many subjects during the 111th Congress. But this may be the most important. It is no secret that the recession has hit America hard, and that unemployment rates have stood at record, or near record numbers, including the rates for veterans. The March 2010 data from the Bureau of Labor Statistics (BLS) shows that about 50,000, or about 25 percent, of 18- to 24-year old veterans were unemployed. At the same time about 955,000, or about 9.5 percent of veterans between the ages of 25 and 64 were unemployed.

While any unemployed veterans is worthy of our assistance, I see significant differences in these two age groups in terms of financial resources and financial obligations. For example, while our younger veterans are likely eligible for either the Montgomery or the Post-9/11 GI Bill and have fewer financial obligations, most of the older group has likely passed their delimiting dates for the GI Bill, or only have access to the less generous Montgomery GI Bill, or have used up their entitlement. Older veterans are also more likely to have financial obligations, such as mortgages and tuition payments. So these differences raise the policy question of where to focus whatever scarce resources we have.

Regardless of where we choose to place these resources, they must be efficiently and effectively applied. During this recession, Congress has extended unemployment benefits at least twice. And while softening the blow of losing one's job is important, I believe that we should view this as an opportunity to reshape the workforce by retaining the unemployed in skills that will be in demand as the economy recovers. And that should begin with our veterans, of course.

It makes no sense to pay people to remain qualified only for jobs that may never reappear in the economy. For example, it is no secret that the manufacturing sector, such as the auto industry, has contracted over the past couple decades. Assembly jobs have moved out of the traditional manufacturing States to States with lower labor costs, or moved overseas. That means that if workers want to remain in the industry where their skills are needed they must be willing to relocate. Madam Chair, that was the whole idea behind H.R. 1168, actually which the Ranking Member introduced, Mr. Boozman, and it passed under your leadership.

So how do we fix the issue? Because without a massive reversal of the outflow of jobs, those who have worked in downsized industries must gain new and relevant skills to once again be fully and adequately employed. Madam Chair, according to the Conference Board, an organization which tracks a variety of business-related data, national employment peaked in the summer of 2008 at about 138 million, and online help wanted ads totaled 4.9 million. In February of 2010, national unemployment totals about 130 million with help wanted ads running at about 4 million. Clearly there are jobs out there and our challenge is to provide veterans with the skills to fill them.

Here are the Board's top 10 in demand occupations. Number one, health care practitioners and technical; computer and mathematical science; management; sales and related; office administrative support; business and financial operations; architectural and engineering; health care support; transportation and material moving; and the last one arts, design, entertainment, sports, and media.

We have all read the gross statistics and what we now need to know more about are the whys, as in why are younger veterans experiencing such high rates? To that end, I look forward to hearing solutions from our witnesses on how to invest in our workforce. Thank you, and I yield back Madam Chair.

[The prepared statement of Congressman Bilirakis appears on p. 35.]

Ms. HERSETH SANDLIN. Thank you, Mr. Bilirakis. And I want to thank the other Members of our Subcommittee for joining us at the hearing. We welcome all of our panels testifying before the Subcommittee today, and I would like to remind each of our witnesses that your complete written statements have been made part of the hearing record. I would ask that you limit your remarks to 5 minutes so we have sufficient time for followup with questions once everyone has had the opportunity to provide their testimony. We have a number of witnesses here today.

Joining us on our first panel is Ms. Christine Scott. She is a Specialist in Social Policy for the Congressional Research Service, and Mr. Phil Rones, Deputy Commissioner, Bureau of Labor Statistics, U.S. Department of Labor. We welcome you both to the Subcommittee. We look forward to your testimony highlighting the important research that you have done. I will recognize Ms. Scott first. You are recognized for 5 minutes.

**STATEMENTS OF CHRISTINE A. SCOTT, SPECIALIST IN SOCIAL POLICY, INCOME SECURITY SECTION, DOMESTIC SOCIAL POLICY DIVISION, CONGRESSIONAL RESEARCH SERVICE, LIBRARY OF CONGRESS; AND PHILIP L. RONES, DEPUTY COMMISSIONER, BUREAU OF LABOR STATISTICS, U.S. DEPARTMENT OF LABOR**

**STATEMENT OF CHRISTINE A. SCOTT**

Ms. SCOTT. Thank you. Chairwoman Herseth Sandlin, Ranking Member Bilirakis, and Members of the Subcommittee, my name is Christine Scott from the Congressional Research Service and I am honored to appear before this Subcommittee today.

As requested by the Committee, my testimony will focus on three topics. The current situation for employment of veterans, barriers to employment, and employment assistance to veterans.

First, the employment situation of veterans. My written testimony has a figure in several tables related to this and because of time limitations I will be going through them and only getting a few of the key points related to each table. Okay? The additional details about the data and the tables are contained in the written testimony.

First, figure one shows the monthly unemployment rates showing a 3-month moving average from January 2006, before the cur-

rent economic downturn, through December 2009. As you can see in the figure, the unemployment rate for Gulf War Veterans, Gulf War II Veterans, is higher than for non-veterans. And the unemployment rate overall for veterans of other periods of service, labeled here as other veterans, is lower than that of non-veterans.

However, this comparison of the overall unemployment rates does not show the entire story, what is going on behind the unemployment rates. As you can see in table one, the highest unemployment rates across all three groups are for those individuals ages 18 to 24 and 25 to 34. In addition, as shown in table two, the largest changes in unemployment rates between 2006 and 2009 are for individuals ages 18 to 24, both males and females. This is important because 63 percent of the Gulf War II veterans population is under age 35. This is driving their unemployment rates.

Between 2006 and 2009, the unemployment rate for male Gulf War II veterans increased from 6.4 percent 9.9 percent. While the unemployment rates for male veterans of other periods of service, and male non-veterans more than doubled. For male veterans of other periods of service the unemployment rate increased from 3.4 to 7.9 percent, and for male non-veterans it increased from 4.4 to 10.3 percent. The unemployment rate for female Gulf War II veterans increased from 7 to 11.5 percent, while the unemployment rates for female veterans of other periods of service increased from 4.9 to 7.0 percent, and for female non-veterans from 4.3 to 7.8 percent.

Table three shows the unemployment rate by periods of service, for disabled veterans, those with a service-connected disability, and non-disabled veterans. While the rates for disabled and non-disabled veterans are very close, the rates are higher however for Gulf War I and Gulf War II veterans with a service-connected disability.

Table four relates to what is considered the long-term unemployed, that is unemployed 27 weeks or longer. Gulf War II veterans have a slightly lower percentage that would be considered long-term unemployed, while veterans of other periods of service have a slightly higher rate of long-term unemployment than non-veterans.

Table five shows the percentage for full-time and part-time for these three groups. Overall, veterans have a higher percentage full-time employed than non-veterans. However, there are variances for the youngest veterans, 18 to 24, and for the older veterans, 65 and older, where the percentage of people with part-time employment are significantly higher, even for non-veterans.

Sorry, and I need to go back. Excuse me.

Table six shows the percentage for each group of public and private industry and self-employment. Overall, Gulf War II veterans and veterans of other periods of service have higher percentages employed in the public sector compared to non-veterans. In addition, Gulf War II veterans have a lower percentage of self-employed compared to non-veterans. Other veterans have a higher percentage of self-employed because of their older age. Self-employment tends to increase with age. As a result, the overall self-employment rate for veterans of other periods of service is higher than for non-veterans.



Table seven shows for the Federal Government, the total Federal workforce that is percentage veterans, and the top 10 executive agencies with the percentages of their workforces that are veterans. Between 2005 and 2008, the overall percentage for the Federal Government only increased slightly from 25.2 to 25.5 percent of the workforce. And the top seven did not change between 2005 and 2008 in terms of agencies.

Federal agencies have three special hiring authorities available to them. The Veterans Recruitment Appointment, the Veterans Employment Opportunity Act, and 30 Percent or More Disabled Veterans. In fiscal year 2008, depending on the type of appointment authority, 90 to 95 percent of the special hire appointments were by the U.S. Department of Defense (DoD), the U.S. Department of Veterans Affairs (VA), or the Armed Forces branches.

Next let me turn to barriers to employment. Veterans, like non-veterans, may face one or more barriers to employment, and there are a number of different barriers to employment. Four major barriers are first education and training. A veteran without the education or training for a specific industry will have difficulty finding employment in the industry. This is true for recently separated servicemembers whose military skills may not translate directly to the civilian industry, and for older veterans and non-veterans who have worked many years but are in an industry that is currently in decline.

Second, disability. Disability has many forms. Chronic conditions, physical impairments, mental impairments, and addiction issues. Certainly disabilities, such as post-traumatic stress disorder (PTSD) and traumatic brain injury (TBI) are more prevalent in veterans than in non-veterans. Veterans with one or more disabilities will face difficulties in finding employment and in dealing with these difficulties in the workplace, with these disabilities.

Third, lack of a mentor and employment network. While veterans were serving in the military their non-veterans peers were finding and establishing mentors and employment networks within their chosen occupation.

Fourth, homelessness. Living without a fixed address creates a number of challenges in finding and maintaining employment and research has shown that veterans are overrepresented in the homeless population.

Last, assistance with employment. The Federal Government has several programs to assist veterans with employment. Among them are the transition programs coordinated by the Departments of Defense, Labor and Veterans Affairs; Department of Labor grants to State governments for State employments to assist veterans in finding employment and promoting hiring of veterans. The Department of Labor also makes grants to organizations to assist homeless veterans in meeting their needs to transition back into the workforce. And finally, but not least, the Department of Veterans Affairs has programs for veterans with disabilities, including the Compensated Work Therapy Program and the Vocational Rehabilitation and Employment (VR&E) Program.

The Department of Labor also operates the America's Heroes at Work Web site, which provides among other things, fact sheets and other information for employers and veterans related to PTSD and

TBI in the workplace. There is also the Feds Hire Vets service, which contains among other things a listing by agency of the individual within that agency who is responsible for promoting the hiring of veterans, including their phone number and email address.

That concludes my testimony. And I will be happy to answer any questions that Members may have.

[The prepared statement of Ms. Scott appears on p. 36.]

Ms. HERSETH SANDLIN. Thank you, Ms. Scott. We appreciate the helpful statistics and your testimony. Mr. Rones? Am I pronouncing that correctly?

Mr. RONES. That is correct.

Ms. HERSETH SANDLIN. Very good. You are now recognized for 5 minutes.

#### STATEMENT OF PHILIP L. RONES

Mr. RONES. Thank you Madam Chair and Members of the Subcommittee. I thank you for the opportunity to discuss the employment situation of veterans.

I would like to start by stressing the way that the Bureau of Labor Statistics views these data that might be a little different than some others. And what I would caution is that people be careful in overanalyzing some data that are thin. And let me give you an example. We have heard about the unemployment rates of young veterans, and young male veterans. And in fact, the most recent figure we put out for March, the unemployment rate was 32 percent. And obviously that is a very, very high number. But I looked at the whole series of unemployment rates for that group. And if I go back a year ago, in successive months, the rates were 14 percent and 34 percent. Now how does that happen? Out of the roughly 100,000 people that we interview for this survey each month, only about 80 are these young veterans. I mean, that is their share of the population. And maybe 15 of them are unemployed. So we are extrapolating to a whole population of young veterans based on the 15 who happen to be unemployed in this month, and maybe 25 next month, or 10 next month. So I would stress that we be very careful with taking a single month's data. That is why we prefer looking at annual average data, combining 12 months, getting a lot more information when we are looking at these data.

Let me go through a couple of the highlights. I have submitted both a formal testimony and some slides that back that testimony up. The one thing that you have to be careful in comparing the veterans with other groups is that you are comparing apples and oranges. Demographics are really important. For example, many recent veterans are fairly young, and younger people, whether veterans or non-veterans, tend to have very high unemployment rates. The most salient point I could make about all our employment statistics is every group has been very severely hurt by this recession, certainly veterans included.

We collect data both every month on veteran status and then some very detailed information once a year, and I should point out we have actually added a table to our monthly employment situation report on the status of veterans and non-veterans quite recently.

In 2009, there were about 22 million veterans in the population. About half last served in World War II-era, Korea, or Vietnam periods. So virtually all of them are age 55 and over and only 3 percent are women. And it is important that when we look at the labor force status on veterans in general they take into account that there is a very large portion of them who are certainly in retirement ages at this point.

About 2 million veterans served during the period designated Gulf War Era II, accounting for nearly one in 10 of all veterans. These veterans are young, nearly two-thirds are under the age of 35, and far more of them are women than in earlier eras. Eighteen percent are women.

For most age and sex groups employment status does not vary very much based on veteran status. Male veterans aged 18 to 24, though, are somewhat more likely to have jobs than their non-veterans counterparts. And I stress that because very often people look at the unemployment rates, but the goal in general is employment. So I ask people to look at the flip side as well. What proportion of the population actually has jobs?

Veterans of Gulf War Era II who served in combat or war zones had employment rates that were similar to those of veterans who did not serve in combat or war zones. And there was no statistically significant difference between the unemployment rate for female and male veterans overall. The rates were actually 8.0 and 8.1 percent respectively last year. The jobless rates for female and male veterans of just the Gulf War II were not statistically different either.

In August, 2009 about 2.8 million veterans, or 13 percent of the total, reported have a service-connected disability. The one thing that I would say about the disability statistics is again look at employment rather than unemployment. And even if the unemployment rates look similar, what you see for disabled veterans, as you would with the disabled population in general, is that the more severe the disability rating the lower the employment rate. And that to me is the most important statistic.

And I will leave it at that. And certainly I would be glad to answer any questions.

[The prepared statement of Mr. Ronen appears on p. 50.]

Ms. HERSETH SANDLIN. Thank you, Mr. Ronen, for your testimony as well, and the charts and statistics that you provided with your written testimony. If I could start, Ms. Scott are there key characteristics that could account for the difference in employment between female Gulf War II veterans and female non-veterans?

Ms. SCOTT. The primary difference is going to be age, okay, in driving a lot of these unemployment rates. For non-veterans the population is somewhat evenly distributed across the age groups, and between men and women it is very similar. There are only a few points difference one way or another until you get to the 65 and older where there are fewer males. Gulf War II veterans, females like males, are very young. Okay? When you get to veterans of other periods of service about 70 percent of the veterans of other periods of service who are male are 55 or over, where about 51 percent of the female veterans of other periods of service are between ages of 35 and 54. Okay? So the female veterans of other periods

of military service are younger than the males. And that is part of what is driving their female unemployment rates there.

Ms. HERSETH SANDLIN. Then specifically on table seven you list the executive agencies that have the highest percentage of veterans in their workforce, by the 2 different years. I will not pose this question to you, but it is interesting that Department of Justice and Department of Labor go slightly down the ranks from 1 year to the next, in terms of the chart that you provide. In the research that you have done, do you have any reasons why these specific agencies have a higher percentage than others? I mean, clearly if it is armed forces, Department of Defense, Department of Veterans Affairs, Homeland Security, there could be relationship as it relates to interest and skills that match the agency needs. Do you have other reasons when you look across all agencies? Are some doing a better job than others in specifically recruiting veterans?

Ms. SCOTT. I do not have the research to support any definitive conclusions as to why it is in one agency more than the other. I would keep in mind that the Departments of Defense and Veterans Affairs are among two of the largest in the Federal Government.

Ms. HERSETH SANDLIN. I do not know which table off the top of my head here, but when we looked at public versus private sector employment, do veterans with a disability tend to work more in the private or the public sector? Do you have that information?

Ms. SCOTT. Not readily available, but I will get back to the Committee.

[Ms. Scott subsequently provided the following information:]

<i>Employer</i>	<i>Percentage of Employed Veterans (with a Service-Connected Disability)</i>
Private	31.3%
Public	62.3%
Self-Employed	6.4%
Total	100.0%

**Source:** Congressional Research Service analysis of August 2009 Veterans Supplement to the Current Population Survey (CPS).

Ms. HERSETH SANDLIN. Mr. Ronces, have you been able to measure as it relates, I understand the caution that you are giving us as we look at annual trends and averages versus 1 month, and the age of some of the veterans groups we are looking at. Are Gulf War II Era veterans unemployed and seeking employment? Or are they enrolled in school? I mean, are you able to break down these numbers to give sort of reasons for the percentages and then who is seeking employment versus who may be enrolled in courses?

Mr. RONES. Yes, I did notice that the school enrollment rates for veterans aged 25 to 34 seemed to be a bit lower than for non-veterans. Or actually, it is not the school enrollment. It's educational attainment, which are closely related. What seems to happen, though, is the veterans catch up to the non-veterans by the time they are in the 30's or so, and that makes sense.

Ms. HERSETH SANDLIN. Right.

Mr. RONES. That is, veterans are going to school later.

Ms. HERSETH SANDLIN. Right.

Mr. RONES. But we do have data on both enrollment status and educational attainment, and of course age.

Ms. HERSETH SANDLIN. I may have one or two follow-up questions, but I would like to recognize the Ranking Member for questions he may have?

Mr. BILIRAKIS. Thank you, Madam Chair. I appreciate it. For the panel, I understand your point about the unemployment has hit a record high and is very hard. But why are young veterans experiencing an unemployment rate double their non-veteran peers? And I understand the sample is low on a monthly basis. But if you could answer that question I would appreciate it.

Mr. RONES. I think they are not, and that was the point I was trying to make earlier. If I look at the annual average unemployment rates, which would be more reliable because there is just more information going into them. So for 2009, if you look at 18- to 24-year-old veterans, the rate was 21.1 percent and it was 16.6 percent for non-veterans. Because, of course, the veterans and non-veterans have a different gender mix, if I just look at young men it is 21.6 percent for the veterans and 19.1 percent for the non-veterans. So they are both high. The veterans are slightly higher. But I think some of the press reports have gotten that wrong, again, because they focused on some of that monthly data, which really show some outliers.

Mr. BILIRAKIS. Ma'am, could you give me your opinion as well on that?

Ms. SCOTT. Mr. Rones is correct. The unemployment rates for Gulf War II veterans overall and for men are only slightly higher than for comparable non-veterans. For females it is a little higher, 19.2 versus 13.9 percent. But there is a small number issue related to female Gulf War II veterans in terms of overall numbers compared to female non-veterans. So in general, the rates are higher because they are younger.

Mr. BILIRAKIS. Thank you. I appreciate that. With regard to unemployment benefits, does anyone leaving military service automatically qualify for unemployment benefits in all 50 States? Whoever would like to take that?

Mr. RONES. I am sorry, I do not know the answer to that.

Mr. BILIRAKIS. Okay, could you please get back to us on that? We would appreciate that, thank you. Thank you, Madam Chair. I yield back.

[Mr. Rones subsequently provided the information in a follow-up letter, dated May 3, 2010, which appears on p. 99.]

[In addition, Ms. Scott subsequently provided the following information:]

Unemployment Compensation for Ex-Servicemembers (UCX) provides unemployment benefits while former active duty military personnel or reservists released from active-duty search for work. The Emergency Unemployment Compensation Act of 1991 (P.L. 102-164) provided that ex-servicemembers be treated the same as other unemployed workers with respect to benefit levels, the waiting period for benefits, and benefit duration. The attached Congressional Research Service report RS22440, *Unemployment Compensation (Insurance) and Military Service*, by Julie M. Whittaker discusses servicemembers' eligibility for unemployment compensation in more detail. [*The CRS Report* appears on p. 100.]

Ms. HERSETH SANDLIN. Thank you, Mr. Bilirakis. And that is a very important question. And so in addition to our witnesses on this panel taking that question perhaps we might want to pose that question to some of the other witnesses, too, to see if anyone joining us here today has that information.

I will just, let us see, let me just pose one more question for you, Mr. RONES. Why are retired veterans counted as unemployed?

Mr. RONES. They are not, necessarily.

Ms. HERSETH SANDLIN. Is there a separate category?

Mr. RONES. There are two concepts that we are getting mixed up. One is unemployment and the other is non-employment, and I will tell you the difference. In our labor force survey, people are characterized in one of three categories. You are either working, which means we count you as employed, or you are actively looking for work and available to work if a job was offered to you; then you are unemployed. Or you are out of the labor force. So the retired people who are not looking for work are not counted as unemployed, they are just out of the labor force and they are not part of that unemployment calculation because they are not looking for work.

Ms. HERSETH SANDLIN. Are we capturing everyone, then?

Mr. RONES. Sure. Everyone is in one of those three categories. You are either—

Ms. HERSETH SANDLIN. Even, okay.

Mr. RONES. And so in our labor force survey, there is no upper age limit. We classified people, you know, all the way up through 99, and the lower age limit is 16.

Ms. HERSETH SANDLIN. What about someone who enlisted at 18—

Mr. RONES. Right.

Ms. HERSETH SANDLIN [continued]. Retired after 20, and is using an education benefit—

Mr. RONES. Well, if—

Ms. HERSETH SANDLIN [continuing]. After they separate from service. How are they—

Mr. RONES. Okay, if they are going to school full-time, and not looking for work, then they are out of the labor force. They are just like any student would be. Once they start looking for work, and they might actually do that as a student as well. But once they are looking for work, and would be available to take a job, they would be counted as unemployed if they are not able to find work.

Ms. HERSETH SANDLIN. Okay. So you do not think we need another category for the specifically retired?

Mr. RONES. Well, we have that. Among the people who are not in the labor force—

Ms. HERSETH SANDLIN. But you—

Mr. RONES [continuing]. We break that out by reason.

Ms. HERSETH SANDLIN. Oh, you do? Okay. All right.

Mr. RONES. So whether you are retired, or whether it is largely disabled, household reasons.

Ms. HERSETH SANDLIN. Okay. All right. Any other questions for this panel? Okay. Well, I thank you both again for your testimony highlighting very important research, making important points as it relates to our interpretation of the data that is out there in fur-

therance of the work that we are looking at. Mr. Teague, I do not know, did you step out and step back in? I apologize. Let me recognize Mr. Teague for any comments or questions he has of the panel.

Mr. TEAGUE. I did want to ask, I see, you know, we have been talking about primarily the males. What about the females? Have we, what have we been doing to check on them, to separate them out?

Mr. RONES. Well, as I think Ms. Scott mentioned a moment ago, the unemployment rates for young veteran females seem to be a bit higher than those for non-veterans. But there is a double caution. You know, the problem that I said about the young men, well only 18 percent of these young veterans are women. So we are looking at smaller and smaller cells. Literally every month we might have no more than a handful of female unemployed veterans in the sample, and this is the largest sample survey there is. You know, we are surveying 100,000 people a month. But these are very, very small groups.

Mr. TEAGUE. Well, and I understand that. But, you know, you are talking about 100,000 a month. And, you know, for the national unemployment they do 460,000 a week. And, I mean, they have them fill out paperwork and everything, too. So can we get that information and get a broader spectrum so that we can take care of them?

Mr. RONES. I do not know whether the, you are talking about the unemployment insurance system, which is really unrelated to the labor force survey that I have been discussing. I do not know whether on intake to the unemployment insurance system they have that information on veteran status.

Mr. TEAGUE. It will just be one more question. And if it is a different set of information we should still be able to get privilege to it.

Mr. RONES. I am sure, I am sure the Employment and Training Administration that administers that program would be happy to let the staff know what information they have about unemployment insurance claims. I have never seen anything out of that program on veteran status, but Bureau of Labor Statistics is not involved. So I could be wrong about that.

Mr. TEAGUE. Okay, thank you.

Ms. HERSETH SANDLIN. Just remind me again, the double caution there, what was the annual average for female Gulf War II veterans? How did that compare to female non-veterans?

Ms. SCOTT. For 2009, the annual average for female Gulf War II veterans was 11.5 compared to 7.8 for female non-veterans. For 18 to 24 it was 19.2 percent for female Gulf War II veterans, and 13.9 percent for female non-veterans. But there is a difference in the population, as noted by Mr. Rones. Only 18 percent of the Gulf War II veterans are female, where almost 50 percent of the non-veterans are female.

Ms. HERSETH SANDLIN. Except it is a similar gap. Right? I mean, you just gave me the annual average for all female veterans

Ms. SCOTT. Right.

Ms. HERSETH SANDLIN. Female veterans versus female non-veterans. But then when you break it down to the 18 to 24, you are looking at a four point gap.

Ms. SCOTT. Six point gap.

Ms. HERSETH SANDLIN. A five or six point gap. I mean, so there is something that we need there is something going on in terms of overall and this specific age group where I do not think you have the same in terms of, well it is, it is about a five point gap in terms of overall the 18 to 24, not breaking them down male to female. I think this has been very helpful, and we appreciate the caution. I think there is in the other panels that we will be hearing from some justification of causes for the gap that exists. You know, some that we can speculate on, some that we have seen in some of the testimony. But again, informing sort of gaps in certain programs to reach and do more effective outreach to try to find employment for our female veterans, regardless of age group.

I appreciate again your testimony, and we appreciate your being here today. Mr. Teague has another followup for the panel?

Mr. TEAGUE. Yes, thank you. I'm sorry. First, I am sorry, I want to thank you for holding this hearing because I think it is very important. I want to thank you for testifying. I appreciate that. But I do want to point a couple of things that I just want to be sure that everybody takes a look at it from my perspective one time.

Even though we are talking about 7.8 to 11.5, you know, that is two to one. As is the 19 to 13. That is, you know, 50 percent more in our veterans. And I do not know if that, you know, a while ago you said there was a bit of difference. I did not think that 50 percent was a bit. I thought it was pretty substantial, even if we are talking about a small group. Thank you.

Ms. HERSETH SANDLIN. Again, thank you for your testimony, and your service in each of your agencies that informs not only our Committee's work but so many across the different Committees here in the U.S. House of Representatives. Thank you for being with us today.

I would now like to ask the second panel to join us at the witness table. Joining us is Mr. Mark Walker, Deputy Director of the Economics Commission for the American Legion; Mr. Tim Embree, Legislative Associate for the Iraq and Afghanistan Veterans of America (IAVA); Mr. Richard Daley, Associate Legislative Director of the Paralyzed Veterans of America (PVA); Mr. Justin Brown, Legislative Associate, National Legislative Service for the Veterans of Foreign Wars of the United States (VFW); Mr. Marshall Hanson, Director of Legislative and Military Policy, Reserve Officers Association of the United States (ROA); and Colonel Peter Duffy, Deputy Director of Legislation, the National Guard Association of the United States (NGAUS).

Welcome to all of you gentlemen. We appreciate having you back to the Subcommittee. We look forward to your testimony on this very important topic today. Mr. Walker, we will start with you. Again, all of your written statements have been entered into the hearing record so you will each be recognized for 5 minutes.



**STATEMENTS OF MARK WALKER, DEPUTY DIRECTOR, NATIONAL ECONOMIC COMMISSION, AMERICAN LEGION; TIM S. EMBREE, LEGISLATIVE ASSOCIATE, IRAQ AND AFGHANISTAN VETERANS OF AMERICA; RICHARD DALEY, ASSOCIATE LEGISLATION DIRECTOR, PARALYZED VETERANS OF AMERICA; JUSTIN BROWN, LEGISLATIVE ASSOCIATE, NATIONAL LEGISLATIVE SERVICE, VETERANS OF FOREIGN WARS OF THE UNITED STATES; CAPTAIN MARSHALL HANSON, USNR (RET.), DIRECTOR, LEGISLATIVE AND MILITARY POLICY, RESERVE OFFICERS ASSOCIATION OF THE UNITED STATES, ALSO ON BEHALF OF RESERVE ENLISTED ASSOCIATION; AND COLONEL PETER J. DUFFY, USA (RET.), DEPUTY DIRECTOR OF LEGISLATION, NATIONAL GUARD ASSOCIATION OF THE UNITED STATES**

**STATEMENT OF MARK WALKER**

Mr. WALKER. Madam Chairwoman, Ranking Member, and distinguished Members of the Subcommittee, thank you for the opportunity to submit the views of the American Legion regarding the status of veterans employment.

With the high veterans unemployment rate, particularly among younger veterans, there is an immense need to ensure that veterans are getting trained and are afforded ample opportunities to succeed in this unstable job market. The American Legion is eager to see the Department of Labor Veterans' Employment and Training Service (VETS) expand its outreach efforts with creative initiatives designed to improve employment and training service for veterans and increase training opportunities, support, and options for veterans who seek entrepreneurial careers. The American Legion seeks legislation that will transfer all disabled veteran outreach program specialists and local veteran employment representatives from the State agencies to VETS program for supervision and oversight in order to ensure that the individuals employed to serve veterans are not used for other programs.

Also, the American Legion supports new legislation, H.R. 929, that would authorize \$60 million for the next 10 years to fund a program modeled after the highly successful Servicemembers Occupational Conversion and Training Act, SMOCTA for short. SMOCTA was a unique job training program because there was a job for the veteran among completion of training. Many local veterans employment representatives and disabled veteran outreach program specialists publicly praised the effectiveness of SMOCTA because it successfully returned veterans to the civilian workforce. In addition, many veterans prefer traditional employment and/or require employment for personal or family reasons.

The American Legion recommends that flight training, correspondence schools, vocational schools programs and on the job training programs be included in the Post-9/11 GI bill. This would allow veterans who are seeking traditional employment the opportunity to get into the civilian workforce sooner. The American Legion believes that veterans should never be limited in the manner they use their educational benefits. Furthermore, the American Legion supports efforts that require DoD to take appropriate steps to ensure that servicemembers may be trained, tested, evaluated, and

issued any license or certification that may be required in the civilian workforce prior to separation. The American Legion believes that Federal employment programs that are adequately funded, staffed and supervised, along with the clear message to the private sector that employing veterans is good for business, will make a significant difference in veterans obtaining gainful employment. America's veterans deserve no less than ample opportunities for success in the civilian workforce.

Again, thank you for the opportunity to submit the opinion of the American Legion on this important issue.

[The prepared statement of Mr. Walker appears on p. 59.]

Ms. HERSETH SANDLIN. Thank you, Mr. Walker. Mr. Embree, welcome back to the Subcommittee. You are now recognized.

#### **STATEMENT OF TIM S. EMBREE**

Mr. EMBREE. Thank you, ma'am. Madam Chairwoman, Ranking Member, and Members of the Subcommittee. On behalf of Iraq and Afghanistan Veterans of America's 180,000 members and supporters, I would like to thank you for inviting us to testify before your Subcommittee today.

My name is Tim Embree and I served two tours in Iraq with the United States Marine Corps Reserve. The status of veterans employment is a critical issue facing many Iraq and Afghanistan veterans as they come home. IAVA welcomes the opportunity to discuss this issue with you.

IAVA recommends a comprehensive veterans employment bill, consisting of job placement, job protection, and job training. Our full recommendations are enumerated in my written testimony which has been submitted to this Committee. The experience of previous generations of veterans suggests that today's veterans may continue to struggle for years to come if we do not act now. Unemployment rates among new veterans are staggering and continue to rise dramatically. According to the Bureau of Labor Statistics, in 2009, the average unemployment rate for Iraq and Afghanistan-era veterans was 10.2 percent. As of March 2010, that number is up to 14.7 percent. IAVA member named Will is one of the unemployed making up this 14.7 percent. Will also served in the Marine Corps. He was an aviation electronics technician with a top secret security clearance. You would think this would make him a potentially attractive hire in the tech economy. But he has been unemployed since he left the service nearly 4 months ago. Will has applied with the VA, the California Employment Development Department, and several aerospace companies. He has applied at companies like Best Buy, Dish Network, and Direct TV. With no end to his unemployment in sight, Will has begun applying for minimum wage jobs despite years of dedicated service, leadership experience, and impressive and specialized skills in the tech industry. Will's search has been an emotionally and financially draining process. He is very close to losing his home. Unfortunately, it is a story playing out in households across the country.

Look around this room. If everyone in this room were a veteran more than one in 10 of you would be searching for employment just like Will. Our servicemen and women are doing everything they were told would make them a valuable asset to civilian employers.

We are failing them because we are not doing enough. Servicemembers are leaving the military and finding a civilian marketplace that does not understand them or their skills, and treats them with indifference. We can and must do better.

For veterans like Will IAVA recommends job training, job placement, and job protection. Some of these necessary fixes include education. It is the best way to ready our veterans for high quality, high earning jobs. And the new GI Bill is the greatest investment in veterans and their families since World War II. It could not have come at a better time. Unfortunately, a significant number of veterans are still excluded from the new GI Bill. Apprenticeships, on the job training, and vocational programs are excluded from the new GI Bill but are so vital to veterans' job training. IAVA believes the Post-9/11 GI Bill should be extended to veterans enrolled in these highly beneficial programs.

Improve job placement programs by increasing the Department of Labor VETS budget by \$7.3 million for fiscal year 2011. IAVA is pleased to see the President's budget for fiscal year 2011 is asking for a 14 percent increase in funding for the Transition Assistance Program, commonly known as TAP. And these funds must be used to modernize TAP, and the program must be mandatory for all servicemembers to ensure every separating veteran receives the job training they need to secure meaningful employment.

Improving TAP is just one part of the equation. We find that employers often cannot translate between military certifications, training and experience to their civilian equivalents. This is what is holding Will back. If employers had a real sense of what he brings to the table, they would be climbing over themselves to hire him. Another example are the military medics, who have performed difficult medical procedures under unimaginable conditions, who barely qualify to drive an ambulance once they transfer back to the civilian world. IAVA requests a Congressional study on the differences between DoD and civilian certifications and licenses.

And we must continue to incentivize hiring Iraq and Afghanistan veterans beyond 2010 and by extending the tax credits for hiring vets in the American Recovery and Reinvestment Act. We must protect Guardsmen and Reservist jobs by fully restoring funding to the Employee Support of the Guard and Reserve (ESGR) program. It is slated to be cut by 17 percent in fiscal year 2011.

Your hard work has led to successful veterans jobs programs, such as *Vetsuccess.gov*, and *Warrior Gateway*, and *Helmets to Hardhats*. We are pleased the VA is reaching out to potential employers and recruiting them to participate on *Vetsuccess.gov*. However, this site should be combined with the OPM's Veterans Job Site. We need to coordinate efforts.

Our servicemen and women have so much more to offer than just punctuality and respectful attitude. Our veterans are one of our Nation's greatest assets. We must treat them as such. I appreciate this opportunity to speak to you today and welcome any questions you may have. Thank you very much for your time.

[The prepared statement of Mr. Embree appears on p. 63.]

Ms. HERSETH SANDLIN. Thank you very much for your testimony. Mr. Daley, you are now recognized for 5 minutes.

**STATEMENT OF RICHARD DALEY**

Mr. DALEY. Madam Chair, Ranking Member Bilirakis, I would like to thank you on behalf of the Paralyzed Veterans of America, a veterans service organization comprised of 20,000 men and women who have honorably served in the military and have suffered a spinal cord injury or disease.

Employment for our members should be a priority as they return to civilian life, as it should be for all disabled veterans, and all those that have served for this Nation. As a Nation we have an obligation to ensure that those that have served in defense of this Nation, and those that have been injured while serving in that role, have all the support, all the medical care, rehabilitation, and opportunities that allow them to participate to the best of their ability in civilian life. This transition back to civilian life would naturally involve employment.

This Subcommittee, along with the full Committee on Veterans' Affairs, has addressed many problems of the new veterans from the current conflict and problems of the veterans from decades past. With the Congressional oversight and direction of this Congress, perhaps they can ensure that more veterans are hired in the Federal Government since the Federal Government is one of the largest employers in the Nation.

I would hope that a man or woman that honorably served in this Nation in the military would be the first qualified person hired by the government. Since the Civil War, Congress has passed legislation to ensure that veterans would have a preference when seeking Federal employment. Unfortunately, these hiring preferences are overlooked when agencies or Federal programs decide to fill a vacancy or add to their staff.

The new administration is concerned about the number of veterans hired in the Federal Government, and has presented specific marching orders to the agencies to hire more veterans. On November 9, 2009, the President signed an Executive Order entitled, "The Employment of Veterans in the Federal Government." By this time next year we will be able to determine if the agencies have followed the directions of President Obama.

Yesterday, I had the opportunity to speak with one of our replacement counselors that PVA has in their rehabilitation program about their employment placement initiatives. They are aggressively placing veterans in full-time jobs and career positions. I wanted to hear from his perspective about the success of placing veterans in the Federal Government. He said, "It's amazing how many hiring personnel in the Federal Government do not know about the programs to assist hiring disabled veterans." He said that one program that they do not understand is the Schedule A hiring program. This allows a Federal agency to hire a disabled veteran without going through the nationwide recruitment process, which often takes 6 months to 9 months to hire. I asked the counselor, "They do not know about it? Or they just choose to not use it?" He said, "Some people do not know about it, have no knowledge of the program, while other people do not understand it so they just do not use it." He said that there is a need to be a nationwide educational process about this program and other programs for hiring veterans.

It works well for the hiring agencies, the Schedule A hiring program, because it allows them to hire a veteran, hire somebody that already worked for the Federal Government, and been trained by the Federal Government in their occupational specialty. And they can put this person on the job within 2 months as opposed to maybe 6 or 8 months waiting time.

This issue of not using the Disabled Veterans' Preference is only one of many reasons why veterans are not being hired. As this Subcommittee probes into the issue of employment of veterans, I am hoping that as we learn more about the barriers to employment that this Congress, along with the Federal agencies, can make the necessary adjustments to assist veterans with trying to find employment in the Federal Government.

That concludes my testimony. I am available for questions.

[The prepared statement of Mr. Daley appears on p. 71.]

Ms. HERSETH SANDLIN. Thank you, Mr. Daley. I appreciate your testimony and insights. Mr. Brown, welcome back. You are recognized for 5 minutes.

#### **STATEMENT OF JUSTIN BROWN**

Mr. BROWN. Thank you, Chairwoman. Madam Chairwoman, Ranking Member Bilirakis, and Members of this Committee, on behalf of the 2.1 million members of the Veterans of Foreign Wars and our auxiliaries, I would like to thank this Committee for the opportunity to testify. The issues under consideration today are of great importance to our members and the entire veteran population.

The VFW believes one unemployed veteran, is one too many. In these tough economic times, the number of unemployed veterans has skyrocketed to more than 1 million, with nearly one in three of our youngest veterans being unemployed. The remarkable young men and women who put their lives on the line for our Nation deserve better. Congress needs to invest in the future of our veterans by providing them with the training, skills, and the opportunities for a chance at the American Dream. For this reason, the VFW calls on Congress to create a comprehensive veterans jobs bill immediately.

Further, we recognize that Congress alone cannot solve this epidemic of unemployment amongst our Nation's veterans. We urge Congress to encourage Americans to do their part for these veterans and help put them back to work.

As with other important issues, Congress has convened roundtables to explore solutions. We need corporate America, union groups, governmental agencies, lawmakers, veterans service organizations (VSOs), and unemployed veterans to convene for a mission of the utmost importance: getting America's veterans in the front of the employment line.

According to the Pentagon, 75 percent of today's high school graduates are unsuitable for military recruitment due to aptitude, health, or physical conditioning. That leaves a 25 percent pool that is also heavily recruited by industry, colleges, and universities. Those who volunteer to serve our Nation are already the best of the best. Their time in uniform makes them better, more mature, more

decisive, and more team and goal oriented. These are the traits we need to market to corporate America immediately.

We are all too familiar with military marketing campaigns that attract talented young Americans to serve their country. The same commercials that attract young people to slay dragons, become one person armies, and be a force for good should also be used to create ideal candidates for American industry and business. We urge Congress to authorize and fund a marketing campaign within the Department of Labor selling the value and the virtues of hiring America's veterans. This should, at minimum, include public service announcements, television, print, and internet based mediums combined with outreach to local chambers of commerce, unions, and job fairs organized by Members of Congress. The young soldier, Marine, and others who serve our country pay the price for our government's failure to push veterans first.

Some have been through a living hell and now just want an opportunity at the American Dream. Yesterday I received a phone call from Adrian Johnson, a specialist from Charlottesville, Virginia. He did logistics-related activities in a deployment to Afghanistan. He got back 2 days before Thanksgiving, and has been unemployed since. To quote him, "There was only one person from my unit that has really helped me, and that has been my staff sergeant and his mother. Without her, I would not even be here right now. I would be dead, to be honest with you. Nobody really has helped me. I am dealing with PTSD, anxiety, and the constant worrying about bills and not seeing my kids has been tremendous. It has been a roller coaster. They say call different organizations. I am struggling with my pride. It is a struggle. All I want to do is work. All I want is a job."

There are more than 1 million similar stories in the United States. It is time for a comprehensive jobs bill for America's veterans. The VFW believes there are a number of turnkey items Congress should include in a comprehensive veterans jobs package to include: expanding and doubling the work opportunity tax credit, overhauling the VR&E program, providing funds for a comprehensive employment campaign, including vocational training and certifications in the Post-9/11 GI Bill, increasing servicemembers' ability to transfer their training and skills, mandating that DOL/VETS do a thorough review of the Disabled Veterans Outreach Program/Local Veterans Employment Representatives (DVOP/LVER) program, reforming the VETS-100 filing reports, conducting an annual representative survey of unemployed veterans, conducting a job fair in every Congressional district, extending unemployment insurance, and others that we have included in our written testimony.

The opportunity to create a veterans jobs bill could not be timelier. There are more unemployed veterans currently than anytime in recent history. Our Nation's heroes, particularly our recently separated servicemembers, often have aggravating factors that tend to make quality employment a more difficult challenge. These men and women are our Nation's future, and will be known as the next great generation of war veterans to build, sustain, and create a stronger United States. We strongly urge this Committee to do everything in its power, to be proactive and invest in these

men and women today for a better tomorrow. A veterans jobs bill will get us pointed in the right direction.

As America's largest group representing combat veterans, we thank you for allowing the Veterans of Foreign Wars to present its views on this important matter. Madam Chairwomen, Ranking Member Bilirakis, this concludes my testimony and I will be happy to answer any questions you or the Members of this Committee may have. Thank you.

[The prepared statement of Mr. Brown appears on p. 74.]

Ms. HERSETH SANDLIN. Thank you for your testimony and recommendations, Mr. Brown. Captain Hanson, thank you for joining us. You are now recognized.

**STATEMENT OF CAPTAIN MARSHALL HANSON, USNR (RET.)**

Captain HANSON. Madam Chairwoman, Mr. Bilirakis, Members of the Subcommittee, the Reserve Officers Association thanks you for the opportunity to testify.

Employment and reemployment is a challenge for many young men and women who are separating from active service. ROA has a unique perspective on this problem. On June 1, 2009, ROA established the Servicemembers Law Center with Navy Captain Sam Wright as its first Director. This is a service provided to all members of the seven uniformed services, including active, Reserve, and separated veterans. In just 10 months the law center has received over 2,000 requests for information on legal issues. Nearly 60 percent of these were on employment and reemployment rights. This is a no fee service and does not provide legal representation, but referrals are made if legal action is necessary.

As the United States remains involved in overseas contingency operations, ROA sees the trend of veteran employment as a growing problem. Even the most patriotic employer is growing fatigued by nearly 10 years of war. In many ways the employers of deployed Guard and Reserve members are subsidizing their defense because they are paying additional benefits and hiring replacement works. Civilian employers are affected to a great or lesser degree by the availability of their workers. The Uniform Service Employment and Reemployment Rights Act, also known as USERRA, requires that employers make time available to their Reservists for military training, forbids hiring discrimination, and mandates job protection. Many Guard and Reserve members, though, are coming back to find that there is no job. It should also be remembered, that members separating from active duty also have the right to return to the civilian job they had prior to enlistment.

In fiscal year 2011, the Department of Defense opened a record number 1,437 cases based on veterans complaints about the violation of USERRA. The Department of Justice also reported a record number of lawsuits against employers for failing to give returning Reserve component members their jobs back. Yet ROA feels that this is just the tip of the iceberg. Most reemployment cases are being handled by private lawsuit.

Communications continues to be part of this issue. Many veterans and employers do not know the law, or what their rights are, as illustrated by the number of calls that the ROA Law Center receives. The ESGR helps field phone calls and acts as ombudsman

between veterans and employers, but many veterans do not know what resources are available and quietly surrender, simply seeking work elsewhere. Additionally, civilian employers increasingly are choosing not to hire veterans. In a survey by Workforce Management Research Center, more than half of civilian employers say they will not hire a Reserve component member if they knew that a Reservist or Guardsman would be called up again. USERRA does not provide the depth of protection that Congress intended. ROA is willing to work with this Committee to update USERRA to strengthen these protections.

A characteristic of many returning veterans is that they do not necessarily want to return to the type of work that they did prior to deployment. Newly acquired skills and experiences can change the employment ambitions of a combat veteran. The Post-9/11 GI Bill provides an opportunity for veterans to seek new careers paths. ROA encourages this Committee to expand the GI Bill to include technical schools and apprenticeships as part of the bill, as has been permitted under the Montgomery GI Bill.

Another challenge for veterans is how to convert their military skills and education into a civilian resume. According to *Military.com*, 61 percent of employers do not believe that they have a complete understanding of the qualifications ex-servicemen offer. And more than three-quarters of these veterans enter the civilian workforce reporting an inability to efficiently translate their military skills into civilian terms. Veterans also feel they lack critical career advancement skills, like networking and salary negotiations. There is an ongoing need to assist in programs that help veterans with this transition.

Last, employers need positive incentives to encourage them to hire veterans. As employers look to their bottom line, tax credits for hiring veterans is just one option. While this is not necessarily under this Committee's jurisdiction, with your support ROA hopes that proposed legislation, such as the Veterans Employment Transition Support Act of 2009 might be considered.

ROA would like to thank the Committee and its staff for its attention to this critical issue, which has become increasingly more important and a concern for both veterans and their families. We look forward to continuing to work with this Committee and its staff.

[The prepared statement of Captain Hanson appears on p. 79.]

Ms. HERSETH SANDLIN. Thank you, Captain Hanson. I appreciate the recommendations. Colonel Duffy, welcome to the Subcommittee. You are recognized.

#### **STATEMENT OF COLONEL PETER J. DUFFY, USA (RET.)**

Colonel DUFFY. Thank you, Madam Chairwoman. I would like to compliment Marshall. He was dead on 5 minutes. That was good work, Marshall.

I am with the National Guard Association and I appreciate this opportunity, Ranking Member as well, to testify. I will defer to my written comments. I would like to amplify a few of them and briefly discuss the unique background of the National Guard member, and Reserve member.



When our members return from war they are veterans, but for the most part they are still drilling members of the select Reserve. They still have to attend drill. And they are also subject to redeployment within whatever time that happens. It could be 2, 3, 4, 5 years. When our members return home and are unemployed, they have this double whammy. They are veterans, subject to all the biases that may prevent or discourage an employer from hiring a vet, but they are also drilling members of the Reserve with a guaranteed ticket to be redeployed. As Marshall just said, this discourages employers from hiring them. It is there. We do not have the stats on that completely, it is hard to prove this negative, but it is out there. We need all the help we can get.

We have suggested some initiatives in the writing. The first one I list is to amend Title 10. It is a little bit out of the lane, but it does relate to helping veterans here before this Committee. We recommend amending Title 10 to allow employers to offer special incentives to members of the Guard and Reserve to opt out of employer-sponsored health care plans in favor of TRICARE Reserve Select. We are all going to have to have health insurance now, but a member of the Guard and Reserve can be insured under TRICARE Reserve Select at the cost of \$180 a month for a family, and \$47.51 for an individual. That is dirt cheap health insurance. And this may make our members more competitive as prospective hires if the employer can have them use their TRICARE Reserve Select coverage and pay for that with pretax dollars rather than the employer-sponsored health care plan which surely will be more expensive.

S. 42, it is a bill, only one sponsor, Senator Kerry, in the Senate. No sponsors in the House. This would repeal the sunset of very important Servicemembers Civil Relief Act provisions that were enacted as part of the Housing and Economic Recovery Act of 2008. What this bill did was extend the moratorium on charging interest rates in excess of 6 percent on pre-deployment mortgage debt for 1 year post-deployment. It also stayed any foreclosure sales following deployment for pre-deployment mortgages from 3 months to 9 months. Very important benefits in a subprime mortgage environment.

We also urge full Veterans' Preference points for people who have served honorably in the National Guard and Reserve domestically. I have attached to my writing the sad story of Monique Elling, who served 10 years in the Delaware National Guard, and was denied Veterans' Preference points when she looked for work because she only had domestic assignments.

Another very important bill that is before the House right now, H.R. 3554, introduced by Representative Loebsack. It would amend the Post-9/11 GI Bill to recognize Title 32 active duty for benefits under that bill. What is Title 32 active duty? Title 32 active duty is the active duty our Guard members perform here domestically. If you recall after 9/11, who kept this country calm while they were close to a state of panic? It was the National Guard guarding our airports. Who went down to New Orleans after Katrina and did the bulwark of that operation down there? The National Guard. Who protected our borders in Operation Jump Start? The National Guard. Who was flying missions under Operation Noble Eagle to

protect our airspace, our air pilots under National Guard Title 32 duty. They do not get benefits under this Post-9/11 GI Bill. They are defending our country in the truest sense of the word, and some of our pilots have been up for over 5 years on Title 32 active duty. They cannot benefit under this bill. It is not right, it is not fair.

Representative Kaptur, Marcy Kaptur from Ohio, introduced a bill that has not received a lot of publicity, H.R. 4318. It would re-establish the Civilian Conservation Corps to employ our citizens in public works projects on our public lands, and to relieve the distress of unemployment and homelessness. What a magnet for veterans. They can work under the most stressful conditions, and it would give our country a spark of public service and give our veterans a sense of ownership in improving this most beautiful of countries.

Also, 30 seconds left, you cannot separate unemployment from mental health. We have to improve community-based mental health outreach in all areas for our members and their families. We have to encourage the use of VA vouchers that will let our veterans go into the community and fully leverage all health care facilities in the community. Our civilian health care providers need to be trained up more thoroughly by the VA, as Rand recommended years ago.

I am out of time. Thank you very much.

[The prepared statement of Colonel Duffy appears on p. 85.]

Ms. HERSETH SANDLIN. Well, thank you Colonel. I appreciate all of our panelists keeping their oral testimony to 5 minutes to give us plenty of time for questions for the panel.

Let me just start with a question for any of you. Because some of you touched on it in your written testimony, let us talk a little bit about the Disabled Veterans Outreach Program specialists, and the Local Veterans Employment Representatives. How are they doing? What is your nationwide grade? Do you have some State-specific concerns? Do you have concerns that this is mostly a training issue? Is it a resource issue? Is it an oversight issue? Just give me your thoughts on the DVOPs and LVERs. Mr. Daley, do you want to start?

Mr. DALEY. Madam Chair, I think you hit it on the head. It is a training issue. It is a resource issue. It is a funding issue. It is a little bit of all of that.

Ms. HERSETH SANDLIN. I hoped it was going to be primarily one of the things I listed, but it is all?

Mr. DALEY. Well it is unfortunately, so we have these, I think I said in my written testimony, these new entries into State employment. And it is always a veteran, and so they stick the veteran over there in that position. And I have been to them recently, I think, four years ago when my job with PVA in St. Louis ended because of a cash shortage, I, before I came to Washington, I went to the State of Missouri employment office and the State of Illinois employment office, and I did not realize that I had anything different being a veteran and a combat era veteran than anybody else, other than in some cases there are six chairs against the wall and the veteran has to go to chair number two. I have to wait for chair number two to open up because that is the veterans guy.

But no, they did not, I have never received anything and I have been to the employment services in the past. When I said yesterday, when I talked to the fellow yesterday he said, our counselor, he said that the people do not, they do not really understand what they are supposed to do. They do not have the support. And they are out there, he said most of them are veterans, they kind of believe in what they are supposed to be doing. But they really do not understand. So it is something else. And I may have made a reference to the State of Illinois, since that is where I am from. The State of Illinois has good employment and good benefits, that is probably why they are financially in the hole. But, you know, if you go to work for the DVOPs or LVER and if something else comes up, the Department of Transportation or something, you bid out. You get out of that low paying job to get a better career position.

So that is probably where those jobs are at right now. Unfortunately, and we put, the Nation puts a lot of money, I think I said \$162 million or \$164 million a year into that program. And I do not think we are getting much bang for the buck.

Ms. HERSETH SANDLIN. Other comments?

Mr. WALKER. Yes, we agree. We seem like the big thing is oversight. This is a Federal program. This is not a State program. But the feds office does not have a lot of oversight. So we believe that the veteran is not getting the sort of the intensive service that they actually need in order to find gainful employment, as well as, you know, some of these DVOPs and LVER has other programs, they are dealing with other programs that the State is making them do. And so it is just real checkered about the services veterans are getting. In this sort of economy they absolutely need the best services in order to actually be able to obtain this employment.

And also, the LVERs' job is supposed to actually reach out to employers. That is not happening the way we would like. We need more aggressive, for them to get out there to make sure that they are selling these veterans for all the good and the assets that they would give to an employer, and we see that that is not happening. So we think that if it is a Federal program and they get more oversight and supervision that will be fixed and the veterans will have a lot more opportunities out there.

Ms. HERSETH SANDLIN. Just to clarify, Mr. Walker, since they are Federal resources, I mean, it is a little bit like the State Approving Agencies. It is a State, they are State programs that are getting substantial Federal resources.

Mr. WALKER. Right.

Ms. HERSETH SANDLIN. Are there some States that do a better job than others on implementing the program, and getting a better return on the investment of the Federal dollar?

Mr. WALKER. Yeah, we acknowledge that there are some States that are doing a better job at this. But, again, we get mixed signals and mixed reviews about different States we talk to. And it has become this Federal program, but it is 50 different programs. And it is just, we do not feel that it is up to par of what these veterans actually need and deserve to kind of get out there and receive employment.

Ms. HERSETH SANDLIN. So your sense is that Department of Labor, in investing Federal taxpayer dollars into the program,

should have more aggressive oversight, some sort of support, some sort of sharing of best practices?

Mr. WALKER. Exactly, because, because—

Ms. HERSETH SANDLIN [continuing]. That currently does not exist?

Mr. WALKER. Right. Because right now they make, DOL-VETS make only 10 percent site visits because of funding and other issues. And we just really do not know what is going on. And obviously, it is not too good based on the high unemployment rate. So we think that is an issue.

Ms. HERSETH SANDLIN. Any other comments or questions? Yes, Mr. Brown?

Mr. BROWN. Madam Chairwoman, I would absolutely echo my colleague's concerns. And I think you hit the nail right on the head. The issue with the DVOP/LVER Program is I do not really think anybody knows how it is performing. The data is just not out there. I mean, there is the entered in, entered out rate, but I just do not think it is just not really giving us a full picture of the DVOP/LVER issue.

Ms. HERSETH SANDLIN. Okay. Yes, Mr. Embree?

Mr. EMBREE. Yes, ma'am. One thing that IAVA is concerned about this program, but the thing we are concerned about is not enough funding to run the program that is currently out there. Right now as of last year they helped over 850,000 veterans. And so that is real numbers, that is a huge number. And so we want to see the Department of Labor actually get increased funding for this program in the form of \$7.3 million. We feel that one of the things is a manpower shortage for the actual DVOPs and LVERs out there. And so they are not having enough time, some of these folks are splitting time between helping veterans and non-veterans. So we see that as major flaw right now, and we think that the increased funding would be very helpful to that program.

Ms. HERSETH SANDLIN. But would IAVA also, in supporting an increased amount of resources for the program, share and acknowledge that there are some concerns about again how to effectively get the return of that dollar, bring more focus, more oversight, more accountability and more support, knowing that resources would be necessary to provide that. But is it a manpower issue plus a training issue?

Mr. EMBREE. I really cannot comment on the training issue at this time. I can look into that and form an answer for you at a later time. But the way we looked at it from, for this time right now would be the funding issue. But we could look further into the training issue. And if it is a matter of accountability, we always encourage more accountability for any sort of services that are helping veterans, especially something as important as this.

Ms. HERSETH SANDLIN. Well, I want to get to Mr. Bilirakis for his questions. I think we will hear from the Assistant Secretary in the next panel, some ideas that he has for improving the services provided. I certainly appreciate the need for more resources. This Committee has always wanted to be helpful so as to identifying those that are effectively providing resources that warrant additional resources. I think in this instance because of the concerns that are out there with how the program is currently working,

some States doing better than others, that we may be in a better position to advocate for additional resources once we identify how can we better target the services that are being provided and measure the outcomes. Because in this budget environment, you know, even with what we see coming from the President and what the Congress may do, I want to make sure our Committee is in the best position to advocate for how those additional resources are going to be effectively used in a program that has been marred by many complaints.

I will now recognize Mr. Bilirakis.

Mr. BILIRAKIS. Thank you, Madam Chair. Thank you for your testimony, panel. Mr. Daley discussed this, regarding the Veterans' Hiring Preference. I would like to ask the panel, what should we be doing differently to improve matters?

Colonel DUFFY. I will answer quickly, as I did in my testimony. Any National Guard or Reserve member who serves honorably should be given the Veterans' Preference, period. One of my brothers in the Military Coalition says that when a person joins the Guard and Reserve they give the government a blank check to do with them what the government pleases, because the government chooses not to deploy them overseas should not deny them the Veterans' Preference.

Mr. BILIRAKIS. Anyone else? Sure.

Mr. EMBREE. Yes, sir. Thank you for the question. When it comes to Veterans' Preference, especially for Federal hiring, we still have a lot of questions. IAVA has really had a hard time trying to figure out what is the actual scale this five or 10 point Veterans' Preference, where does that fall in? I had local government experience and I remember from doing hiring and contracts, when you had contracts you had a scale. Certain things counted for certain points. But when you talk about hiring someone there is a lot of matter that is up to how the interview goes, and certain things that are not very tangible. You cannot write down, you cannot say, "This person walked in so they get five points. This person knows how to read so they get 10 points."

And so that is one of the things we have a problem with because for a long time folks just talked about the five and 10 point preference. We want to see an actual preference on paper showing what is the value, how does this help these veterans get to the top of the list? We feel that the current program that OPM is pushing out is a great start. And we are very encouraged by DOL and OPM and the programs they have been working on. We feel that we are moving in the right direction. But at the same time we want to make sure that all Federal hiring does include veterans and does take, you know, give a preference to veterans who have served recently as well as veterans that served 20 years ago.

If you look at the Federal Government and the amount of veterans working in the Federal Government, if you remove the VA, and you remove the DoD, there is not a whole lot of veterans working in the Federal Government. And the VA and the DoD, that kind of makes sense. Veterans would want to serve other veterans, and veterans want to stay in the DoD. But when it comes to the rest of the Federal Government, you have these highly trained, highly skilled, very qualified veterans that are not given job oppor-

tunities that are phenomenal assets and would do phenomenal work throughout all of government. And so, we really want to see that encouraged.

Captain HANSON. In the testimony it has been mentioned how veterans oftentimes have difficulty matching skill sets up with jobs that they are applying for. The new program that started this past September is taking servicemembers through the needed steps to acquire a Federal job upon leaving the military. So this is taking Veterans' Preference step further because their skills are assessed to determine what kind of work they can do and they are matching up these skills with the potential positions in Federal service. This is the direction that the Reserve Officers Association would love to see this program go, where we are proactively working with veterans and basically finding job placements within the Federal Government to ensure Veterans' Preference.

Mr. BILIRAKIS. Yes, sir?

Mr. BROWN. Thank you for the question, Congressman. And if I could just add to this, I agree absolutely with all my colleagues. Particularly what Tim said, if you take DoD, the Department of Homeland Security (DHS), and VA out of the picture, you are really looking at a bleak Federal employment picture. And I think we can look at minor changes. We can say if we do this to Veterans' Preference, we are going to see better employment. But I think the reality is we need from the top down, buy on. And, that is from the secretaries, that is from, I just saw Secretary Salazar in the elevator on the way here. Not to put him on the spot or anything I said I was going to a veterans employment hearing. And he said, "Well, we are going to hire some veterans." I laud that. But that is the type of attitude we need. We need it coming from the top down, to the hiring managers, to the human resources folks. We need them to know what the laws are so that when they do have a veteran and he clearly has Preference that they know what to do and how to apply those Preferences so that we can get more veterans employed into our Federal Government.

But what I would urge you to consider as well is that the crux of this problem is not going to lie in hiring veterans through our Federal Government. We have to get more veterans hired in the private sector if we are really going to attack this issue. And we really need Congress' help, and that is why we are calling for a comprehensive jobs bill. That is why we are calling for more money for a marketing campaign. I know Ray Jefferson, and that is what we really need to get these guys employed. Thank you.

Colonel DUFFY. Let me pick up from that very quickly. I believe a bill was introduced earlier this session by Representative Smith from Washington that would require military construction contractors to hire a certain percentage of veterans before they give them the contract.

Mr. BILIRAKIS. Thank you very much. I yield.

Ms. HERSETH SANDLIN. Thank you, Mr. Bilirakis. Just a couple of quick follow-up questions. Let us talk just briefly about USERRA protections, particularly for Reservists. Two years ago we had a field hearing in Mr. Donnelly's district in Indiana where we had front and center a case that we believe exists among many others out there, where our Reservists in particular, because they are not

on active duty base and they do not have an advocate like their State adjutant general or others from the unit, you know they tend to be more dispersed. They are being called up to fill in terms of the cross sectioning that goes on to fill the units that are being deployed. If we could talk a little bit more about everyone's thoughts following up on Captain Hanson's comments about updating and strengthening USERRA protections?

But also then focusing on the Transition Assistance Program. As you know, Mr. Boozman and I have focused a lot of our field hearings and other hearings here in Washington on TAP, how effective it is, is it reaching enough people or should it be modernized? How do you expand the time of opportunities? Should it be mandatory? Another area that I think the Assistant Secretary is looking at that had come as recommendations from some of the field hearings that we had done as well is should spouses be involved? To get to Mr. Brown's point about expanding the network and empowering the separating servicemember to know what is in store in the civilian workforce, in the private sector, how to market him or herself. But also, is there something that we could modernize within TAP? Or with the DVOPs and the LVERs? Again, using all the existing tools that we have to network more effectively with employers large and small in the private sector.

Colonel DUFFY. I will start on that one, too. In the National Guard we use the Transition Assistance Advisor program. We have 62 nationwide. We are currently trying to expand that to 300. This is not a Web site, this is not a powerpoint. This is a live person who interacts with Guard members and families prior, during, and post-deployment to make them knowledgeable about what the VA has to offer. One of our issues in the Guard is that our members, first of all they do not enroll as uniformly as they should and they do not know what is out there. We like this program but we need more interactivity on a personal basis. PowerPoint tends to anger the recipients of it.

Captain HANSON. In fact in the field it is called death by PowerPoint. The Yellow Ribbon Program that exists with the Guard and Reserve is proving to be very effective for units, because the commander tends to have the power to encourage their people to participate. In fact, many of the leadership out in the field have kind of overlooked the Pentagon's directive of not touching individuals for 6 months but requiring them to actually come in and participate, including families that occur. One problem that does occur that challenges all the services, is the lack of funding for travel and lodging for the families themselves. And we find that they are the great enablers when it comes to any of the benefits for transition, to get the serving member to actually participate and respond because when spouses and family members, that can extend to parents and less immediate families, are the ones that can see the tell-tale signs when individuals have trouble mentally or employment, depression, things like this, and can do the correction. And this in the long term helps the military when it comes to the Guard and Reserve. Because you want to retain these people and not lose them just because they get into a sorry state.

As far as, well the other point I want to make on the Yellow Ribbon program is the ones that fall through the cracks are the indi-

vidual augmentees. The ones that the Colonel mentioned that are cross assigned in, they do not have a unit to go back to. So encouraging them to participate is the biggest challenge that is faced with these programs. Because they are isolated, they are by themselves. And I think when you look at all the problems that veterans face, that it is that isolationism that has to be overcome. And it is probably key with all these issues to improve upon the communications to get the word out to these people as well.

Ms. HERSETH SANDLIN. Any other comments on TAP or USERRA protection? If you like, you can always submit it in writing as well if you do not want to take the question now. Mr. Embree.

Mr. EMBREE. Yes, ma'am. Actually thank you for asking about these two programs. Because if you notice one thing that we all are harping on, or just a couple points, and one is this whole problem needs to be attached in a comprehensive manner. It just cannot be a tax credit to employers. It has to be support of the ESGR which is, you know, the Employer Supports Guard and Reserves. And a program like that is so important because it helps get the private sector on what the Guard and Reservists do offer. You know, it has to be everything from job training through the Post-9/11 GI Bill, and through vocational schools, and OJT programs. It has to be job placement, which is what the TAPS program should be getting you ready for, and the DVOPs and LVERs should be helping to find jobs and place you in those jobs. And it should be job protection. That is USERRA. So USERRA needs to protect the National Guard and it needs to protect the Reservists just the way it does for everyone else. If you are on domestic response you need to be covered just as if you were deployed on Federal orders overseas.

So there are a lot of simple solutions that we see, but we also understand how tough it is to get these implemented. In my testimony that I have turned in we have a couple of things, such as we need to make sure that there are civil and criminal penalties for the employers that are abusing USERRA and USERRA violations. And also from a former Reservists I remember dealing from both times I came back from deployment a lot of my junior Marines had no idea what USERRA was or how to file a complaint. They just said, "Hey, you know what, they got me. I lost my job, I've got to find a new one." So there is a lot of bad information out there and a lot of folks just do not know.

Colonel DUFFY. Let me mention this very briefly. Legal help is scarce in the private community to help our members enforce the USERRA rights, or rights under the Servicemembers Civil Relief Act. Our attorneys are not trained up in the civilian world. They are not fee producing cases. It is tough to get them to take them. One idea that is being piloted in Maine, and I think also in Kansas, is to get the Legal Services Corporation, which is a free legal services program overseen by Congress, to have specialists who can deal with veterans and military issues. If they can get trained up and get competent they can represent folks when they have to go to court, or have the threat of going to court to enforce USERRA. And if this catches on it might be a very inexpensive way to afford our members legal counsel that can effectively go to court. Our Judge Advocate Generals (JAGs) are not going to go to court, and



our JAGs are spread thin. And it is tough to get the civilian attorney world to take these cases.

Captain HANSON. And the challenges and resources when you come to the Department of Labor, Department of Justice, and even the employers part of the Guard and Reserve, is the fact that the potential is overwhelming. And this is why we need to find ways to improve the laws to encourage the private sector to assist our returning Guardsmen and Reservists. ROA has included in our written statement a number of recommendations. In addition, as I mentioned, we have Captain Sam Wright working in our Law Center. For those of you who may not know, Sam helped write the USERRA law back in its original state. And if at any point in the future, in a hearing or a sit down meeting, you want to have us bring Sam Wright over to discuss details with you, he will talk your ear off. Because you ask him the time, he will tell you how to build the watch. So we can build a better USERRA if you want to go that direction.

Ms. HERSETH SANDLIN. I want to recognize Mr. Bilirakis for one final question and then we will need to wrap up. We are going to have a series of votes, so I want to get to the testimony of our third panel. Mr. Bilirakis.

Mr. BILIRAKIS. Thank you. Thank you, Madam Chair. One question, do the Guardsmen and the Reservists receive TAP before they are deployed? And do you recommend it if they are not receiving it?

Captain HANSON. Both the Guard and Reserve go through several stages. They go through a demobilization station where they are given a lot of TAP information. But the problem they face is information overload. This is why in the follow-up program of the Yellow Ribbon, inviting the families along. Because the family members tend to take very extensive notes even though the eyes of the Guardsmen or Reservists may glaze over from ongoing briefings that they have received.

Colonel DUFFY. Yeah, I will amplify that. The briefings that we get in the Guard and Reserve pre- and post-deployment are likened to drinking water from a fire hose. It is just too much and it does not stick. It is probably pretty apt. My good State of New Hampshire, the Live Free or Die State that knows how to do more with less, has a program run through Easter Seals that assigns a care manager to families and members before, during and after deployment. And they are there to advise members on what the benefits are.

Also, I am an old time military guy. In the 1970s, each company had a personal services NCO who was trained in knowing all these benefits. And any member could go to the PSNCO and find out what was available after deployment, or even while they are in the military. Somehow that has been spread out with contractors all over the world, and there is just too much out there. This could be simplified very effectively with very known information sources right within the military.

Mr. BILIRAKIS. Thank you. I yield back, Madam Chair.

Ms. HERSETH SANDLIN. Thank you very much. Again, thank you for the very helpful insights that each of you have offered us today. We look forward to following up with you on some of the specific

suggestions and recommendations that you have made in your testimony and in response to our questions. We have a lot of work to do here, a lot of existing things that we can work on to improve. We have some good folks on our next panel who are working hard to do a lot with very little, Colonel. We want to make sure we are leveraging all the best practices and resources. Again the sharing of ideas that we have had here that I know have been ongoing as you have met with the Assistant Secretary and others in the Department of Labor, others in the VA, to address these staggering statistics, and learn from some lessons of the past. We have been talking about TAP for a long time, here, over the last few years. I think we have shared a lot of good ideas, and the time to act is now. And we look forward to working with you to move forward. So thank you again for your ongoing service to our Nation's veterans.

We will have a series of five votes coming up, and so we want to move quickly to our third panel. I invite the Honorable Raymond Jefferson, Assistant Secretary for Veterans' Employment and Training Service, U.S. Department of Labor; Ms. Christine Griffin, Deputy Director, Office of Personnel Management; and Lieutenant Colonel Willie Hensley, Principal Deputy Assistant Secretary, Human Resources and Administration, with the U.S. Department of Veterans Affairs. Welcome to all of you, to the Subcommittee. We look forward to your testimony. They just called votes.

So here is what we are going to do. Because it is five votes, and there are a couple of 15 minute votes, we would have to delay the hearing by another hour. Since your written testimony is made part of the record, and we can let the floor staff know that we are coming, I will recognize each of you for 3 or 4 minutes for a summary of your testimony, then Mr. Bilirakis and I and others on the Subcommittee will submit our questions to you in writing. But we will be doing important followup. You have had a chance to hear from our prior witnesses, many of whom you have met with before. We have made it part of the hearing record in the exchange of information. So we will go ahead with you, Secretary Jefferson, and recognize you for 3 or 4 minutes.

**STATEMENTS OF HON. RAYMOND M. JEFFERSON, ASSISTANT SECRETARY, VETERANS' EMPLOYMENT AND TRAINING SERVICE, U.S. DEPARTMENT OF LABOR; CHRISTINE M. GRIFFIN, DEPUTY DIRECTOR, U.S. OFFICE OF PERSONNEL MANAGEMENT; AND WILLIE HENSLEY, PRINCIPAL DEPUTY ASSISTANT SECRETARY, HUMAN RESOURCES AND ADMINISTRATION, U.S. DEPARTMENT OF VETERANS AFFAIRS**

**STATEMENT OF HON. RAYMOND M. JEFFERSON**

Mr. JEFFERSON. We are thrilled to be here, and also appreciate all the feedback we got from the veterans service organizations previously. Let me just get right into it.

Improvements in current programs, there is a lot of work to be done. Number one, TAP, has not been modernized in 17 years. It is currently a 180 PowerPoint slide show. We are transforming the entire program. We are bringing in transition best practices, such as life career work planning, stress resiliency, stress reduction

techniques, mental resiliency training, templates for cover letters, how to transition to a civilian culture environment. We are going to move to an experiential facilitator approach. And we are also going to something very new and different, which is after training support. So we are transforming the entire program. We are also going to spend \$1 million on increasing the awareness of spouses, that they have access to it, and providing it in languages other than English.

Jobs for Veterans State Grant, again to improve the performance of this program we are going to first have the Disabled Veteran Program Outreach Specialists focused exclusively on helping disabled veterans. The current outcome results are 60 percent for the entered employment and 80 percent for the retention. I would like to see how we can improve that.

The LVERs are going to be focusing more on employment outreach. I am going to talk shortly on what we are doing on employer outreach and engagement as a new emphasis.

We are also collaborating with VR&E, vocational rehabilitation here, we are going to outstation our disabled veterans at all 57 of their regional offices.

USERRA, we have finished process analysis and quality control process. That has given us recommendations on how we can improve the performance, the quality, and the consistency of our investigations. One of the first thing we are working on right now is implementing an electronic case management system. We are also working very closely with OPM to ensure that the Federal Government serves as a model employer. But that quality control process and implementing those recommendations will greatly improve the efficiency and effectiveness of USERRA.

Number four, for homelessness we have \$10 million more this year. Five million dollars are going to be spent on identifying the best practices to better serve homeless veterans. We are going to fund about 25 grantees with that. We are going to take \$4 million to bring back the Incarcerated Veterans Training Program to reduce the recidivism there. We will serve about 1,500 veterans through 12 sites, and we are going to be serving about 21,000 veterans this year, 15,000 next year.

For new initiatives, a major emphasis of ours is increasing engagement with employers, particularly the private sector. We are working very closely with the U.S. Chamber of Commerce, we have met with the President several times. We are working to connect the affiliated chambers around America with our State directors, have them bring DVOPs and LVERs with them so they are talking to roomful of chief executive officers and employers instead of one at a time. A tremendous change in focus for vets. It is going to bear a lot of returns.

We are also working very closely on this Federal hiring initiative for veterans, which is going to do a lot to help veterans.

I've more to say, but will wait for the questions. Let me just say the latest cover of *Fortune Magazine* represents where we are going and how we are going to get there. The new face of business leadership in America, it is a veteran.

[The prepared statement of Mr. Jefferson appears on p. 88.]

Ms. HERSETH SANDLIN. Thank you for summarizing. Ms. Griffin, you are recognized for 3 minutes. I apologize. Your written testimony is very important to us. In our followup we will do more meetings.

Ms. GRIFFIN. That is fine.

Ms. HERSETH SANDLIN. So that the witnesses on the other panels will get a sense for some of the responses to our questions.

Ms. GRIFFIN. Okay. And we would be happy to come up and brief you on specific things if you want us to.

Ms. HERSETH SANDLIN. Very good.

#### STATEMENT OF CHRISTINE M. GRIFFIN

Ms. GRIFFIN. I hate following him. But I love him. I love him, I hate following him. Thank you for letting us come. Let me tell you that the issue of veteran hiring in the Federal Government is one of the highest priorities of Director John Berry and myself. It is at the core of OPM's mission to recruit, retain, and honor the world class workforce to serve the American people. And that was certainly strengthened by the President's Executive Order last November. This also, this Executive Order also cemented a partnership among the Departments of Defense, Labor, Veterans Affairs, Homeland Security, and OPM to lead substantially all Federal agencies in enhancing employment opportunities for veterans throughout the Executive Branch.

We all know that there are not enough agencies, if you take out certain agencies, there are not enough veterans being hired by the other Federal agencies and we are working to change that. So as we looked more closely at the government-wide veteran employment numbers, we realized that there are pockets of excellence if we can capitalize on using those best practices and spreading them throughout the Federal Government. The Executive Order established this Interagency Council on Veterans Employment, co-chaired by the Secretaries of Labor, Veterans Affairs, and the Director of OPM serving as the vice-chair. It also includes a number of other agency members, and the President can designate other members as well. But the Council will be working along with the Steering Committee to make sure that we incorporate all aspects of the Executive Order as has been outlined, and also the government-wide Veterans Recruitment and Employment Strategic Plan for 2010 to 2012. And this plan really focuses on breaking down the barriers to veterans employment by using a number of strategies focused on leadership commitment, skills development, employment counseling, marketing veterans employment, and single source information gateway which became the *Fedshirevets.gov* Web site that you referred to earlier.

The impact of Veterans' Preference is key. The Executive Branch is the Nation's leading employer of veterans. Over half a million veterans are employed today in agencies across the country and around the world. Twenty-five percent, or one of every four current Federal employees, is a veteran. And in comparison to the private sector, we hire three times the percentage of veterans, seven times, and this answers I think an earlier question, seven times the percentage of disabled veterans, and 10 times the percentage of severely injured veterans. Each year we have seen an increase. And

one of our most recent statistics show that the number of veterans rose from 512,671 out of about 1.9 million Federal employees in the year 2009.

So use of Hiring Veterans Authority is key. That is in my written testimony, lots of data there. And I know you want to know a lot about the Federal Career Intern Program (FCIP).

Ms. HERSETH SANDLIN. Yes.

Ms. GRIFFIN. And just know that, you know, Veterans' Preference applies to the selection of interns in FCIP, it does. And we have recently issued guidance talking to the Federal agencies again about, you know, what they have to do regarding passing over anyone with 30 percent service-connected disability preference, and telling them again they have to come back to us.

[The prepared statement of Ms. Griffin appears on p. 93.]

Ms. HERSETH SANDLIN. Well I appreciate that, Ms. Griffin, that you specifically identified the intern, that will be the focus of some of the questions that I will be submitting.

Ms. GRIFFIN. Right.

Ms. HERSETH SANDLIN. And I will followup with you, too, in addition to additional actions beyond the guidance to get the outcomes that we are looking for.

Ms. GRIFFIN. Exactly.

Ms. HERSETH SANDLIN. Mr. Hensley? You are now recognized for 2 to 3 minutes.

#### **STATEMENT OF WILLIE HENSLEY**

Mr. HENSLEY. Thank you, Madam Chair, Ranking Member, Members of the Subcommittee. Thank you very much for the opportunity to testify before you. I am absolutely delighted to join our coworkers here with OPM and Department of Labor who have done just a great job in collaborating with us and taking care of the young men and women who take care of our Nation on battlefields around the country.

Everyday at VA, Madam Chair, Members of the Committee, we take care of the young men who stand up for America. We are very supportive of the laws that place these veterans in competitive positions for employment in the Federal sector. To that end, we feel that affording veterans statutory preference is the obligation of a grateful Nation. It also represents good business and good government.

Madam Chair, in VA we have over 90,000 men and women who have served this Nation. They represent approximately 29 percent of the 301,891 veterans in the Department. Over 74,000 of these men and women are preference eligibles, so we are using that flexibility. Twenty-six thousand three hundred sixty-six are disabled veterans. During fiscal year 2009, we hired 11,588 preference eligible veterans, and another 1,000 non-preference eligible veterans. Our success has been attributed to leadership. It has also been attributed to the fact that we understand the mission of our Department, our employees understand the mission as well. But we also have added another dimension to our efforts, the Veterans Employment Coordination Service. We have nine regional coordinators that work around the country with some 200 other local Veterans Employment Coordinators to reach out to men and women who

have served this Nation to help them navigate through sometimes a very complex hiring process. Helping them with resumes, helping them understand skills, knowledge, ability requirements. Helping them translate their skills into language that can be interpreted and help them get jobs in the Federal sector. We have been very successful. We have nine but we are looking at expanding that number around the country based on demographics of where we see the greater need.

We have enjoyed, as I mentioned earlier, a wonderful working relationship with our colleagues here at the table. We are part of the President's Executive Order which set up the Employment of Veterans in the Federal Government Council for Veterans Employment. We are using our VETS program as a model that other Federal agencies can use in an effort to reach out to veterans in the same light and achieve the same levels of success.

Madam Chair, again I appreciate the opportunity to address you and Members of the Committee. I am available to answer any questions, and we look forward to your questions in the future. Thank you.

[The prepared statement of Mr. Hensley appears on p. 95.]

Ms. HERSETH SANDLIN. Thank you very much, Colonel. I appreciate that you mentioned the regional coordinators. We will focus on some of that in our questions. I want to commend the VA for the impressive statistics as it relates to hiring veterans. We know how important it is to advancing the mission of the VA, always looking for where we can do better, working with other agencies. While we acknowledge the importance of the Department of Labor to get our veterans by the private sector, the networking, the skills, the communication and marketing that is so important, we also know that so many veterans are looking for an opportunity to give back directly to veterans in the public sector. We appreciate the VA's leadership in doing just that.

I apologize, we do have to wrap up quickly for votes. But I thank all of our panelists today for their testimony and insights, and the hearing stands adjourned.

[Whereupon, at 4:01 p.m., the Subcommittee was adjourned.]

## A P P E N D I X

---

### **Prepared Statement of Hon. Stephanie Herseth Sandlin, Chairwoman, Subcommittee on Economic Opportunity**

Today's hearing will provide us an opportunity to: review existing programs to help homeless veterans become employed, review barriers to employment; discuss hiring authorities; and learn about possible causes to high unemployment rates among younger veterans and female veterans.

Furthermore, we will hear from an array of distinguished panelists who will highlight the shortfalls of Federal programs while providing recommendations for us to consider regarding veteran employment opportunities. While the high unemployment rates among veterans is disturbing, we will also receive timely updates from administration officials highlighting their initiatives to address the concerns of our veterans' population.

I would like to commend President Obama for implementing Executive Order 13518 to strengthen veteran employment opportunities within the Federal workforce. I would also like to commend the various agencies who have initiated new veteran programs that required no Congressional intervention. These include the Office of Personnel Management's new *feds hire vets* Web site and the Department of Labor's initiative to expand Job Corps participation to military veterans.

---

### **Prepared Statement of Hon. Gus M. Bilirakis**

Good afternoon.

Madam Chair, our oversight agenda has covered many subjects during the 111th Congress, but this may be the most important. It is no secret that the recession has hit America hard and that unemployment rates have stood at record or near-record numbers including the rates for veterans.

The March 2010 data from BLS shows that about 50 thousand or about 25 percent of 18 to 24 year old veterans were unemployed. At the same time, about 955 thousand or about 9.5 percent of veterans between 25 and 64 years old were unemployed. While any unemployed veteran is worthy of our assistance, I see significant differences in these two age groups in terms of financial resources and financial obligations.

For example, while our younger veterans are likely eligible for either the Montgomery or Post-9/11 GI Bill and have fewer financial obligations, most of the older group has likely passed their delimiting dates for the GI Bill or only have access to the less generous Montgomery GI Bill or have used up their entitlement. Older veterans are also more likely to have significant financial obligations such as mortgages and tuition payments.

So these differences raise the policy question of where to focus whatever scarce resources we may have. Regardless of where we choose to place those resources, they must be efficiently and effectively applied.

During this recession, Congress has extended unemployment benefits at least twice. And while softening the blow of losing one's job is important, I believe that we should view this as an opportunity to reshape the workforce by retraining the unemployed in skills that will be in demand as the economy recovers. And that should begin with our veterans. It makes no sense to pay people to remain qualified only for jobs that may never reappear in the economy. For example, it is no secret that the manufacturing sectors such as auto industry has contracted over the past couple decades. Assembly jobs have moved out of the traditional manufacturing States to States with lower labor costs or moved overseas. That means that if workers want to remain in the industry where their skills are needed, they must be willing to relocate. Madam Chair, that was the whole idea behind H.R. 1168 which I introduced and passed under your leadership.

So how do we fix the issue because without a massive reversal of the outflow of jobs, those who have worked in downsized industries must gain new and relevant skills to once again be fully and adequately employed.

Madam Chair, according to the Conference Board, an organization that tracks a variety of business-related data, national employment peaked in the summer of 2008 at about 138 million and online help wanted ads totaled about 4.9 million. In February 2010, national employment totals about 130 million with help wanted ads running at about 4 million. Clearly, there are jobs out there and our challenge is to provide veterans with the skills to fill them. Here are the Board's top 10 in-demand occupations:

1. Health care practitioners and technical
2. Computer and mathematical science
3. Management
4. Sales and related
5. Office and administrative support
6. Business and financial operations
7. Architecture and engineering
8. Health care support
9. Transportation and material moving
10. Arts, design, entertainment, sports, and media

We have all read the gross statistics and what we now need to know more about are the “why’s”, as in why are our younger veterans experiencing such high rates? To that end, I look forward to hearing solutions from our witnesses on how to invest in our workforce. Madam Chair, I yield back.

---

**Prepared Statement of Christine A. Scott, Specialist in Social Policy,  
Income Security Section, Domestic Social Policy Division,  
Congressional Research Service, Library of Congress**

### **Introduction**

Chairwoman Herseth Sandlin, Ranking Member Boozman, and distinguished Members of the Subcommittee on Economic Opportunity, my name is Christine Scott, from the Congressional Research Service (CRS). I am honored to appear before the Subcommittee today. As requested by the Committee, my testimony will highlight the employment situation of veterans, barriers to employment, and employment assistance to veterans. In addition to this testimony, a CRS report on Federal employment assistance to veterans has been submitted for the record.

### **Current Employment Situation of Veterans**

The current voluntary system for military service began more than 30 years ago. Legally, the U.S. has been in the Persian Gulf War since August 1990. However, it has only been in the last decade that the U.S. has been involved in a prolonged period of conflict. Information has only been available for the last few years separating the Persian Gulf War into two distinct periods (based on last date of active military service)—Gulf War I and Gulf War II (post-September 2001).<sup>1</sup> It is possible to compare unemployment rates of veterans and non-veterans, using this data, before and during the current economic downturn.

### **Unemployment**

As shown in **Figure 1**, the monthly unemployment rate<sup>2</sup> for Gulf War II veterans has generally remained higher than that of other veterans and non-veterans over the 2006 to 2009 period (before and during the current economic downturn). **Figure 1** uses a 3-month moving average<sup>3</sup> of the monthly unemployment rates.

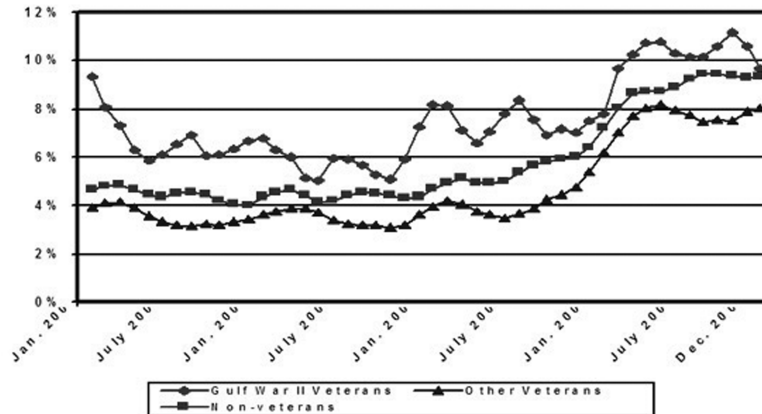
<sup>1</sup>The Gulf War II period is not defined legally, and is a commonly used term for the post-September 2001 period, including Operation Enduring Freedom and Operation Iraqi Freedom.

<sup>2</sup>The unemployment rate reflects the percentage of the labor force that is looking for work. The labor force consists of persons employed or looking for work. Persons who are not employed and not looking for work, along with certain institutionalized persons (such as incarcerated persons), are not considered part of the labor force.

<sup>3</sup>Each 3-month moving average is the average of the current month and the two prior months.



**Figure 1. Unemployment Rates Among Gulf War II Veterans, Other Veterans, and Non-Veterans, January 2006 through December 2009**



**Source:** Congressional Research Service (CRS) analysis of monthly Current Population Survey (CPS) data.

**Notes:** Unemployment rates are 3-month moving averages. For example, the unemployment rate shown for March 2006 is the average rate for January through March 2006.

The higher unemployment rates for Gulf War II veterans reflects the younger age of the Gulf War II veterans population compared to other veterans and non-veterans.

#### Unemployment by Gender and Age

For unemployment rates, the average annual data<sup>4</sup> for 2009 in **Table 1** show higher overall unemployment rates for Gulf War II veterans than for other veterans. Unemployment rates vary by age and gender.

- For Gulf War II veterans, other veterans, and non-veterans, younger persons (ages 18–24 and 25–34) generally have the highest unemployment rates.
- The overall unemployment rate for Gulf War II veterans is higher than the unemployment rate for other veterans. This is also the case for men and women considered separately. However, there are differences across age groups.
- Female Gulf War II veterans have a higher overall unemployment rate than female non-veterans, while male Gulf War II veterans have a lower overall unemployment rate than male non-veterans.
- Overall, Gulf War II veterans ages 45–54 have a lower unemployment rate than other veterans or non-veterans in this age group. This is also the case for men and women in this age group.
- For other veterans, the overall unemployment rates for male and female other veterans are lower than the overall unemployment rates for male and female non-veterans.

<sup>4</sup>Because of the volatility of the monthly unemployment rates, the average annual rates (the average of all the monthly rates for a given year) provide a more stable basis of comparison between periods.

**Table 1. Unemployment Rates for Gulf War II Veterans, Other Veterans, and Non-veterans by Age and Gender, 2009**

Age	Gulf War II Veterans			Other Veterans			Non-veterans		
	Total	Men	Women	Total	Men	Women	Total	Men	Women
18–24	21.1%	21.6%	19.2%	N.D.	N.D.	N.D.	16.6%	19.1%	13.9%
25–34	10.6%	10.5%	11.6%	11.7%	12.3%	8.5%	9.8%	10.9%	8.6%
35–44	6.0%	5.5%	9.3%	7.5%	7.6%	7.0%	8.0%	8.8%	7.1%
45–54	3.6%	3.8%	3.0%	8.7%	9.0%	6.6%	7.1%	8.2%	6.0%
55–64	7.0%	5.7%	N.A.	7.2%	7.2%	6.5%	6.5%	7.2%	6.0%
65 and over	N.A.	N.A.	N.A.	6.6%	6.6%	N.A.	6.3%	6.6%	6.1%
Total	10.2%	9.9%	11.5%	7.8%	7.9%	7.0%	9.1%	10.3%	7.8%

**Source:** Congressional Research Service (CRS) analysis of monthly Current Population Survey (CPS) data.

**Notes:** N.D.—no data available; N.A.—the denominator for calculating percentages is 35,000 or less.

### *Change in Annual Statistics 2006 to 2009*

Changes in the unemployment rates between 2006 and 2009 are a measure of the impact of the recent economic downturn. **Table 2** shows changes in unemployment rates by age and gender for Gulf War II veterans, other veterans, and non-veterans. For example, between 2006 and 2009 the unemployment rate for male Gulf War II veterans ages 18–24 increased by 11.4 percentage points (from 10.2 percent to 21.6 percent).

- For non-veterans, the increase in unemployment between 2006 and 2009 was generally greatest for younger age groups. Unemployment generally rose less for older workers. In every age group, the increase in unemployment was greater for men than women.
- For other veterans, the change in unemployment rates was higher for men than women, and was highest for men in the 25–34 and 44–54 age groups.
- For Gulf War II veterans, unemployment increased the most for the youngest age group (18–24), and for both men and women in that age group. The percentage point change in unemployment rates for Gulf War II veterans aged 18–24 was larger than for comparable non-veterans.
- For male Gulf War II veterans, the change for the older age groups was lower than for other veterans and non-veterans.
- For female Gulf War II veterans, the change in unemployment rates varied across age groups and may reflect the small number of women veterans in each age group.

**Table 2. Percentage Point Change in Unemployment Rates for Gulf War II Veterans, Other Veterans, and Non-veterans Between 2006 and 2009**

Age	Gulf War II Veterans			Other Veterans			Non-veterans		
	Total	Men	Women	Total	Men	Women	Total	Men	Women
18–24	10.6	11.4	6.8	N.D.	N.D.	N.D.	7.1	8.9	5.2
25–34	3.1	3.0	3.6	6.5	7.4	1.9	5.2	6.5	3.7
35–44	3.8	3.0	8.9	3.8	4.1	1.8	4.4	5.5	3.3
45–54	0.7	1.1	–2.4	5.0	5.4	1.9	4.0	5.1	2.9
55–64	N.A.	N.A.	N.A.	4.1	4.1	4.0	3.6	4.2	3.1
65 and over	N.A.	N.A.	N.A.	3.6	3.5	N.A.	3.5	4.0	3.1
Total	3.7	3.5	4.5	4.3	4.5	2.1	4.7	5.9	3.5

**Source:** Congressional Research Service (CRS) analysis of monthly Current Population Survey (CPS) data.

**Notes:** N.D.—no data available; N.A.—the denominator for calculating percentages is 35,000 or less.

### *Disabled Veterans*

While the overall unemployment rate of disabled veterans (8.2 percent) was not statistically different from that of non-disabled veterans (8.3 percent) during 2009,

the unemployment rate for disabled Gulf War II veterans was much higher than the rate for disabled veterans of other service periods. **Table 3** shows the unemployment rates for disabled veterans (veterans with a service-connected disability rating) by period of service, and non-disabled veterans for 2009. In general the labor force participation rates and unemployment rates for veterans decline the longer the time period since the end of the conflict (and as the veterans population associated with that conflict ages).

**Table 3. Unemployment Rate of Disabled Veterans by Period of Service, 2009**

Period of Service	Unemployment Rate
Gulf War II	11.8%
Gulf War I	9.3%
Vietnam, Korea, World War II	5.1%
Other	6.2%
Total—disabled veterans of all service periods	8.2%
Non-disabled veterans	8.3%

**Source:** Bureau of Labor Statistics, *Employment Situation of Veterans—2009*, March 12, 2010.

#### ***Long-term unemployed***

Overall Gulf War II veterans are less likely than other veterans and non-veterans to be unemployed long-term (27 weeks or more). Other veterans are more likely than non-veterans to be unemployed long-term. **Table 4** shows the percentage of unemployed by length of unemployment for Gulf War II veterans, other veterans, and non-veterans for 2009.

**Table 4. Percentage of Unemployed by Length of Unemployment for Veterans, Other Veterans and Non-veterans in Each Age Group, 2009**

Age	Gulf War II Veterans		Other Veterans		Non-veterans	
	26 weeks or less	Over 26 weeks	26 weeks or less	Over 26 weeks	26 weeks or less	Over 26 weeks
18–24	79.5%	20.5%	N.D.	N.D.	75.0%	25.0%
25–34	69.4%	30.6%	65.2%	34.8%	69.7%	30.3%
35–44	N.A.	N.A.	71.8%	28.2%	66.7%	33.3%
45–54	N.A.	N.A.	65.9%	34.1%	62.2%	37.8%
55–64	N.A.	N.A.	60.0%	40.0%	61.0%	39.0%
65 and over	N.A.	N.A.	60.4%	39.6%	59.9%	40.1%
Total	71.2%	28.8%	64.4%	35.6%	67.9%	32.1%

**Source:** Congressional Research Service (CRS) analysis of monthly Current Population Survey (CPS) data.

**Notes:** N.D.—no data available; N.A.—the denominator for calculating percentages is 35,000 or less.

#### **Employed Veterans**

Overall, as shown in **Table 5**, for every age group veterans are more likely to work full-time than their non-veteran peers. Also, veterans are significantly more likely to be employed in the public sector as shown in **Table 6**. Self-employment rates generally increase with age, and non-veteran age groups generally have higher percentages of self-employed persons. The exception is other veterans ages 55 and over, who have a higher percentage of self-employed than their non-veteran counterparts.

**Table 5. Percentage of Full-Time and Part-Time Employment for Gulf War II Veterans, Other Veterans, and Non-Veterans in Each Age Group, 2009**

Age	Gulf War II Veterans		Other Veterans		Non-veterans	
	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
18–24	76.2%	23.8%	N.D.	N.D.	57.8%	42.2%
25–34	90.2%	9.8%	91.8%	8.2%	85.2%	14.8%
35–44	94.1%	5.9%	93.8%	6.2%	86.2%	13.8%
45–54	94.7%	5.3%	93.7%	6.3%	86.7%	13.3%
55–64	95.0%	5.0%	86.9%	13.1%	82.0%	18.0%
65 and over	N.A.	N.A.	60.4%	39.6%	55.9%	44.1%
Total	90.0%	10.0%	86.1%	13.9%	80.9%	19.1%

**Source:** Congressional Research Service (CRS) analysis of monthly Current Population Survey (CPS) data.

**Notes:** N.D.—no data available; N.A.—the denominator for calculating percentages is 35,000 or less.

**Table 6. Percentage of Public, Private, and Self-Employed for Gulf War II Veterans, Other Veterans, and Non-Veterans in Each Age Group, 2009**

Age	Gulf War II Veterans			Other Veterans			Non-veterans		
	Public	Private	Self-employed	Public	Private	Self-employed	Public	Private	Self-employed
18–24	20.4%	78.2%	1.5%	N.D.	N.D.	N.D.	8.1%	89.9%	1.9%
25–34	22.7%	74.3%	3.0%	20.8%	76.0%	3.2%	12.3%	83.2%	4.5%
35–44	31.9%	66.1%	1.9%	20.2%	74.7%	5.0%	14.2%	78.9%	6.9%
45–54	39.5%	57.0%	3.4%	22.3%	72.1%	5.6%	16.2%	75.6%	8.2%
55–64	48.3%	46.8%	4.9%	19.7%	70.5%	9.8%	18.9%	71.4%	9.7%
65 and over	N.A.	N.A.	N.D.	13.5%	66.6%	19.9%	14.2%	69.3%	16.5%
Total	27.5%	69.7%	2.8%	19.6%	71.4%	8.9%	14.1%	79.2%	6.7%

**Source:** Congressional Research Service (CRS) analysis of monthly Current Population Survey (CPS) data.

**Notes:** Public, Private, and Self-employed for each category sums to 100%. N.D.—no data available; N.A.—the denominator for calculating percentages is 35,000 or less.

### Federal employment of Veterans

According to the Office of Personnel Management (OPM), 25.5 percent of the Federal Government workforce in FY 2008 was veterans compared to 8.3 percent for the civilian labor force.<sup>5</sup> The Federal Government also has a larger share of its workforce comprised of disabled veterans (6.0 percent) compared to the civilian labor force (0.8 percent).

Between FY 2005 and FY 2008, the total share of the Federal workforce comprised of veterans increased slightly from 25.2 percent to 25.5 percent as shown in **Table 7**. In FY 2005 and FY 2008, the same six executive agencies had the highest percentage of veterans in their workforces. These six agencies also had a percentage of veterans in their workforce that was higher than that of the total Federal workforce. Between FY 2005 and FY 2008, all six agencies had an increase in the percentage of veterans in their workforces.

<sup>5</sup> Office of Personnel Management, *Employment of Veterans in the Federal Executive Branch, Fiscal Year 2008*, November 2009.

**Table 7. Federal Executive Agencies with the Highest Percentage of Veterans in the Agency Workforce, FY 2005 and FY 2008**

<b>2005</b>		<b>2008</b>	
<b>Executive Agency</b>	<b>Percent of Workforce</b>	<b>Executive Agency</b>	<b>Percent of Workforce</b>
Air Force	47.3%	Air Force	50.5%
Army	40.5%	Army	43.6%
Navy	36.9%	Navy	38.8%
Department of Transportation	30.8%	Department of Defense	33.5%
Department of Defense	27.6%	Department of Transportation	29.5%
Department of Veterans Affairs	26.8%	Department of Veterans Affairs	29.1%
Department of Homeland Security	24.5%	Department of Homeland Security	26.8%
Department of Energy	21.0%	General Services Administration	20.4%
Department of Justice	18.2%	Department of Energy	20.2%
Department of Labor	17.9%	Office of Personnel Management	19.5%
Total Federal Workforce	25.2%	Total Federal Workforce	25.5%

**Source:** Table prepared by the Congressional Research Service (CRS) from Office of Personnel Management, *Employment of Veterans in the Federal Executive Branch, Fiscal Year 2008*, November 2009, Table 1 and Table 2C, and Office of Personnel Management, *The Employment of Veterans in the Federal Government, FY 2005*, November 2006, Table 1 and Figure 2.

### **Use of Special Veterans Appointing Authorities**

Three special appointment authorities are available to Federal Government agencies related to veterans: (1) Veterans Recruitment Appointment (VRA); (2) Veterans Employment Opportunity Acts (VEOA); and (3) 30 percent or More Disabled Veteran.

#### ***Veterans Recruitment Appointment (VRA)***

The use of a VRA allows agencies to appoint an eligible veteran without competition. The VRA is an excepted appointment to a position that is otherwise in the competitive service. After 2 years of satisfactory service, the veteran may be converted to a career-conditional appointment in the competitive service.<sup>6</sup>

Once in Federal employment, VRAs are treated like any other competitive service employee and may be promoted, reassigned, or transferred. VRA appointees with less than 15 years of education must complete a training program established by the agency. Veterans eligible for a VRA appointment are

- disabled veterans;
- veterans who served on active duty in the Armed Forces during a war, or in a campaign or expedition for which a campaign badge has been authorized;
- veterans who, while serving on active duty in the Armed Forces, participated in a United States military operation for which an Armed Forces Service Medal was awarded; or
- recently separated veterans.

In addition to meeting the criteria above, veterans must have been separated under honorable conditions (i.e., the individual must have received either an honorable or general discharge).

#### ***Veterans Employment Opportunity Act (VEOA)***

Federal agencies can recruit outside their own workforce from all competitive service employees in filling permanent competitive service openings. Veterans are eligible to apply for this type of open position even if not a current competitive service employee, if the veteran is a preference eligible or has completed three or more

<sup>6</sup>A veteran may be given a noncompetitive temporary or term appointment based on VRA eligibility. These appointments do not lead to career jobs.

years of active service. The Federal Government agency can then appoint the veteran using the VEOA appointment authority.

### **Thirty Percent or More Disabled Veteran**

The 30 percent or more disabled veteran authority allows a Federal Government agency to non-competitively appoint any veteran with a 30 percent or more service-connected disability to a permanent, temporary (1 year or less), or term (1 to 4 years) positions in the competitive service. For permanent appointments, the veteran is placed in a time limited (60 days maximum) appointment and then converted to permanent at management's discretion.

In FY 2008, almost all of the use of these special appointments (89.6 percent to 94.9 percent depending on the specific hiring authority), as shown in **Table 8**, was by branches of the Armed Forces, and the Departments of Defense and Veterans Affairs.

**Table 8. Total Special Veterans Appointment Hires and Percent of Total by the Departments of Defense and Veterans Affairs and the U.S. Armed Forces, FY 2008**

<b>Appointment Authority</b>	<b>Total Special Appointment Hires FY 2008</b>	<b>Percent of Special Hire Appointments by the Department of Defense, Department of Veterans Affairs, and Armed Forces</b>
Veterans Recruitment	6,360	89.6%
Veterans Employment Opportunity Act	18,898	94.2%
30% of More Disabled Veteran	1,381	94.9%

**Source:** Table prepared by the Congressional Research Service (CRS), from Office of Personnel Management, *Employment of Veterans in the Federal Executive Branch, Fiscal Year 2008*, November 2009, Table 5.

### **Traditional Barriers to Employment**

Veterans and non-veterans can face a number of barriers to employment: lack of education or training; disability; lack of an employment network or mentors; or homelessness. Other potential barriers to employment such as age (55 or older), low-income or poverty status, limited work history, and a criminal record will not be discussed in this testimony.

### **Education/Training**

A veteran without the education or training required for a specific industry will generally be unable to find employment in that industry. This is true for returning servicemembers whose military occupation skills do not translate directly to civilian industry and for older veterans who had worked for many years in an industry that is in decline. Recently discharged veterans can make use of education benefits provided for veterans to receive either a higher education or specific training to work in a specific industry. However older veterans who have become unemployed because of the economic downturn do not have that option (as their eligibility for education benefits has expired).

### **Disability**

Disability takes many forms: chronic medical conditions; physical impairments; mental impairments; or addiction issues. Because certain disabilities (or conditions) such as Post-Traumatic Stress Disorder (PTSD) and Traumatic Brain Injury (TBI) are more prevalent in veterans than non-veterans, more veterans will face the difficulties of dealing with these disorders in finding employment and in the workplace.<sup>7</sup> Veterans with a disability face a barrier to employment in that both the veteran and his or her employer must understand the disability and make the necessary accommodations. Compounding the barriers is that a veteran may have more than one disability, with the disabilities of a different nature. For example, mental illness and addictions are often co-morbid conditions.

### **Lack of mentors/employment network**

Employment networks and mentors are important to individuals in an occupation or industry as they provide advance information about employment and other oppor-

<sup>7</sup> For more information on Traumatic Brain Injury, see CRS Report R40941, *Traumatic Brain Injury: Care and Treatment of Operation Enduring Freedom and Operation Iraqi Freedom Veterans*, by Amalia K. Corby-Edwards.

tunities within the industry. When a young person enters an occupation either directly out of high school or through pursuing a college education, part of that time at work or in college is spent establishing a network of colleagues in that industry or occupation and finding a mentor to assist in developing his or her career path. However, many younger servicemembers have separated themselves from their peers during this process to serve in the military. As a result, younger recently separated servicemembers do not have the established civilian employment networks of their peers and often lack established mentors. Older veterans, like other workers, who have spent years working in a specific industry and becoming part of the employment network for that industry will lose that network if the industry has declined as part of the recent economic downturn.

#### **Homelessness**

Lack of a permanent (or semi-permanent) address imposes limitations on an individual's ability to contact or interact with others, including potential employers, as it is difficult to maintain links to others through telephone, mail or computer; open certain bank or other accounts; obtain certain government documents; and the individual does not have a safe secure place for storage of personal or other items. Research has shown that veterans are over-represented in the homeless population—that is, a higher percentage of the veterans population is homeless compared to the non-veteran population.<sup>8</sup>

#### **Federal Programs to Assist Veterans in Finding Employment**

##### **Joint Programs for Transitioning Servicemembers**

The Department of Labor (DOL), in cooperation with the Department of Defense (DoD) and the VA, operates the Transition Assistance Program (TAP) and Disabled Transition Assistance Program (DTAP). Both programs are designed to provide information on employment and training for servicemembers within 180 days of separation from military service, or retirement.<sup>9</sup>

TAP is a 3-day workshop conducted at military installations that includes sessions on how to look for jobs, current market conditions (both labor market and occupation-specific information is provided), preparation of job search materials (including resumes), and interview techniques. DTAP adds additional hours to the 3-day program focused on the special needs of disabled servicemembers.

In addition to the employment assistance sessions, information is provided on veterans benefits administered by the VA.

##### **FedsHireVets**

On November 9, 2009, President Obama issued Executive Order 13518 which established a Veterans Hiring Initiative and established a Council on Veterans Employment co-chaired by the Secretaries of DOL and VA. As part of the initiative, the Office of Personnel Management (OPM) established a new Web site: [www.fedshirevets.gov](http://www.fedshirevets.gov)—to provide information for veterans on Federal Government employment. One of the features of the Web site is an agency directory providing for each agency, the name, email address, and telephone number of the individual within each agency responsible for promoting veterans' employment within the agency.

##### **America's Heroes At Work**

In January 2009, the DOL began a new program, America's Heroes at Work, for veterans with traumatic brain injury (TBI) or post-traumatic stress disorder (PTSD). Under the pilot program, DOL will study, validate, and disseminate best practices related to helping employees with TBI or PTSD succeed on the job. The Web site for the program provides information and fact sheets for employers and veterans on topics related to TBI and PTSD including how employers can make accommodations in their workplace for affected employees.<sup>10</sup>

##### **DOL Programs**

The DOL Veterans' Employment and Training Service (VETS) offers assistance to veterans seeking jobs through the Jobs for Veterans State Grants (JVSG) Program. Under the program, grants are used to fund Disabled Veterans' Outreach Program

<sup>8</sup>For more information on veterans and homelessness, see CRS Report RL34024, *Veterans and Homelessness*, by Libby Perl.

<sup>9</sup>For more information on TAP and DTAP programs, see the Department of Labor's TAP Fact Sheet at [http://www.dol.gov/vets/programs/tap/tap\\_fs.htm](http://www.dol.gov/vets/programs/tap/tap_fs.htm).

<sup>10</sup>The Web site for the program is <http://www.americasheroesatwork.gov/>.

(DVOP) specialists and Local Veterans' Employment Representatives (LVER).<sup>11</sup> These are State positions, funded by the Federal Government, that provide outreach and assistance to veterans seeking employment.

DVOP staff in a State are involved in outreach efforts to disabled veterans with greater barriers to employment, who therefore need more intensive services for employment or training. LVER staff help veterans find employment and are involved in outreach to the business community to encourage the hiring of veterans (including disabled veterans).

The VETS office also operates the Veterans' Workforce Investment Program (VWIP), a grant program authorized under the Workforce Investment Act (WIA, P.L. 105-220).<sup>12</sup> Grants may be made to fund programs operated by eligible State and local workforce investment boards, State or local agencies, or private non-profit organizations. The grants are intended to help reintegrate veterans into the civilian labor force; develop service delivery systems that address the needs of veterans entering the civilian workforce; enhance workforce investment activities related to veterans; and perform outreach or public information activities to promote employment of veterans.

In addition to the JVSG Program and the VWIP program, the VETS office in DOL also

- conducts the *HireVetsFirst* campaign to encourage employers to hire veterans;
- provides grants under the Homeless Veterans Reintegration Program;<sup>13</sup> and
- provides information to veterans and employers on re-employment rights under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA, P.L. 103-353).

All VETS activities are required partners in the One-Stop Career Center system established by WIA.<sup>14</sup>

Any workforce development, job training, or placement program funded in part by DOL must provide a priority in services for veterans and eligible spouses. In general, persons covered under the priority of service (veterans and spouses) receive access to services and resources before non-covered persons.<sup>15</sup>

#### **Homeless Veterans Reintegration Program (HVRP)<sup>16</sup>**

The HVRP program has two goals. The first is to assist veterans in achieving meaningful employment, and the second is to assist in the development of a service delivery system to address the problems facing homeless veterans. Eligible grantee organizations are State and local Workforce Investment Boards, local public agencies, and both for- and non-profit organizations.<sup>17</sup> Grantees receive funding for one year, with the possibility for two additional years of funding contingent on performance and fund availability.<sup>18</sup>

HVRP grantee organizations provide services that include outreach, assistance in drafting a resume and preparing for interviews, job search assistance, subsidized trial employment, job training, and follow-up assistance after placement. Recipients of HVRP grants also provide supportive services not directly related to employment such as transportation, provision of assistance in finding housing, and referral for mental health treatment or substance abuse counseling. HVRP grantees often employ formerly homeless veterans to provide outreach to homeless veterans and to counsel them as they search for employment and stability. In fact, from the inception of the HVRP, it has been required that at least one employee of grantee organizations be a veteran who has experienced homelessness.<sup>19</sup>

In program year (PY) 2007 (from July 1, 2007, through June 30, 2008), HVRP grantees were expected to serve a total of 13,446 homeless veterans, of whom an estimated 9,061, or 67 percent, were expected to be placed in employment.<sup>20</sup> In 2007, DOL predicted that 64.5 percent of veterans who were placed in employment

<sup>11</sup>For information on LVER and DVOP grants, see the DOL guide to grants at [http://www.dol.gov/vets/grants/Final\\_VETS\\_Guide-linked.pdf](http://www.dol.gov/vets/grants/Final_VETS_Guide-linked.pdf).

<sup>12</sup>Ibid. (For information on VWIP grants).

<sup>13</sup>For more information on the program, please see CRS Report RL34024, *Veterans and Homelessness*, by Libby Perl.

<sup>14</sup>Local one-stop service centers can be found online at <http://www.servicelocator.org/>.

<sup>15</sup>Regulations on the priority of service can be found at <http://www.dol.gov/vets/ES-30166.pdf>.

<sup>16</sup>Excerpted from CRS Report RL34024, *Veterans and Homelessness*, by Libby Perl.

<sup>17</sup>Veterans Employment and Training Service Program Year 2007 Solicitation for Grant Applications, *Federal Register* vol. 72, no. 71, April 13, 2007, p. 18682.

<sup>18</sup>Ibid., p. 18679.

<sup>19</sup>"Procedures for Preapplication for Funds; Stewart B. McKinney Homeless Assistance Act, FY 1988" *Federal Register* vol. 53, no. 70, April 12, 1988, p. 12089.

<sup>20</sup>U.S. Department of Labor, Office of the Assistance Secretary for Veterans' Employment and Training, *FY 2006 and FY 2007 Annual Report to Congress*, May 21, 2008, p. 10.



would maintain employment for 6 months.<sup>21</sup> The previous year, 64 percent of veterans maintained employment for at least 6 months.

#### **VA Compensated Work Therapy for Disabled Veterans (CWT)<sup>22</sup>**

The Compensated Work Therapy (CWT) Program has existed at the VA in some form since the 1930s.<sup>23</sup> The goal of the CWT program is to give veterans with disabilities work experience and skills so that they may re-enter the workforce and maintain employment on their own. The VA either employs veterans directly (in FY 2008, 47.7 percent of veterans in the CWT program worked for the VA)<sup>24</sup>, finds work for veterans at other Federal agencies, or enters into contracts with private companies or nonprofit organizations that then provide veterans with work opportunities. Veterans must be paid wages commensurate with those wages in the community for similar work, and through the experience the goal is that participants will improve their chances of living independently and reaching self sufficiency. In 2003, the Veterans Health Care, Capital Asset, and Business Improvement Act (P.L. 108–170) added work skills training, employment support services, and job development and placement services to the activities authorized by the CWT program.

In 1991, as part of P.L. 102–54, the Veterans Housing, Memorial Affairs, and Technical Amendments Act, Congress added the Therapeutic Transitional Housing component to the CWT program. The housing component is authorized through December 31, 2011.<sup>25</sup> The purpose of the program is to provide housing to participants in the CWT program who have mental illnesses or chronic substance abuse disorders and who are homeless or at risk of homelessness.<sup>26</sup> Although the law initially provided that both the VA itself or private nonprofit organizations, through contracts with the VA, could operate housing, the law was subsequently changed so that only the VA now owns and operates housing.<sup>27</sup> The housing is transitional—up to 12 months—and veterans who reside there receive supportive services. In FY 2008, 11,686 veterans were admitted into the CWT program. Of the CWT program participants, 79.2 percent were found to have a disabling medical condition, with nearly all participants (99.8 percent) having a psychiatric disorder or disabling medical condition or both.<sup>28</sup>

This concludes my statement. I will be happy to answer any questions the Committee may have.

---

#### **Congressional Research Service CRS Report for Congress—RS22666**

#### **Veterans Benefits: Federal Employment Assistance** *Prepared for Members and Committees of Congress*

April 9, 2010

Christine Scott, Specialist in Social Policy

#### **Summary**

There are Federal employment and training programs and policies specifically targeted to help veterans seeking employment in the civilian economy. Transition assistance programs are operated by the Department of Defense (DoD), the Department of Veterans Affairs (VA), and the Department of Labor (DOL) to assist service-members as they prepare to leave the military. DOL operates grant programs to States to provide outreach and assistance to veterans in finding civilian employment. In addition, the Federal Government has policies (including veterans preference) that assist veterans in obtaining jobs with the Federal Government and Fed-

<sup>21</sup> U.S. Department of Labor, Office of Veterans' Employment and Training, *FY 2008 VETS Annual Report to Congress*, p. 5, [http://www.dol.gov/vets/media/FY\\_2008\\_Annual\\_Report\\_To\\_Congress.pdf](http://www.dol.gov/vets/media/FY_2008_Annual_Report_To_Congress.pdf).

<sup>22</sup> Excerpted from CRS Report RL34204, *Veterans and Homelessness*, by Libby Perl.

<sup>23</sup> Senate Veterans Affairs Committee, report to accompany S. 2908, 94th Cong., 2nd sess., S.Rept. 94–1206, September 9, 1976.

<sup>24</sup> Sandra D. Resnick, Richard Kaczynski, Debbie Siefert, et. al., *Twelfth Progress Report on the Compensated Work Therapy (CWT) Program, Fiscal Year 2008*, Department of Veterans Affairs Northeast Program Evaluation Center, Table 29 (hereinafter, *Twelfth Progress Report on the Compensated Work Therapy (CWT) Program*).

<sup>25</sup> The program was authorized as part of the Veterans Benefits, Health Care, and Information Technology Act of 2006 (P.L. 109–461). See 38 U.S.C. § 2031.

<sup>26</sup> The VA's authority to operate therapeutic housing is codified at 38 U.S.C. § 2032.

<sup>27</sup> The provision for nonprofits was in P.L. 102–54, but was repealed by P.L. 105–114, Section 1720A(c)(1).

<sup>28</sup> *Ibid.*

eral contractors. This report provides a brief overview of these Federal programs and policies. This report will be updated as needed.

#### **Contents**

Cash Assistance  
 Employment Assistance  
 Transition Assistance Programs  
 Veterans State Grants Program  
 Veterans' Workforce Investment Program  
 America's Heroes at Work  
 Federal Employment Preferences  
 Point Preference  
 Special Appointment (Hiring) Authority  
 Affirmative Action: Federal Agencies  
 Affirmative Action: Contractors and Subcontractors  
 Veterans Hiring Initiative  
 Other Federal Assistance

#### **Contacts**

Author Contact Information

---

Veterans may participate in the general employment and training programs open to everyone seeking jobs, or in certain programs targeted specifically to veterans.<sup>1</sup> In addition, the Federal Government has a policy of assisting veterans in employment through the use of preferences in Federal employment, and requirements for affirmative action in the hiring of veterans by Federal contractors. This report will provide an overview of these Federal employment and training programs targeted to veterans, and Federal policies to assist veterans in obtaining Federal employment.<sup>2</sup>

#### **When Is a Discharged Servicemember Classified as a "Veteran" for the Purposes of VA Benefits?**

Not all discharged servicemembers are considered "veterans" for the purposes of the Department of Veterans Affairs (VA) benefits and programs. In order to be eligible for most VA benefits, it is necessary for the discharged servicemember to be classified as a "veteran," or in some circumstances, the survivor of a veteran.

Federal statutes define "veteran" as a "person who served in the active military, naval, or air service, and who was discharged or released there from under conditions other than dishonorable." [38 U.S.C. § 101(2); 38 CFR § 3.1(d)]. The VA largely bases its determination of veteran status upon military department service records. In addition to the member's service records, other factors impact his/her classification as a "veteran" and may impact future benefits. These factors include

- Discharge criteria: (38 U.S.C. § 101(2); 38 CFR § 3.1(d)).
- Active military, naval or air service: (38 U.S.C. § 101(2); 38 CFR § 3.1(d)).
- Whether the service was during "time of war:" (38 U.S.C. § 101(6)–(11); 38 CFR § 3.2).
- Length of duty requirement: (38 U.S.C. § 101(6)–(11); 38 CFR § 3.2).

After it has been proved that the discharged servicemember meets these criteria, he/she is considered to be a "veteran" and may be eligible for certain benefits relating to health care, education, and other services which are provided by the VA.

(Information provided by Douglas Reid Weimer, Legislative Attorney, American Law Division, CRS.)

#### **Cash Assistance**

Part of the Servicemen's Readjustment Act of 1944 (The GI Bill, P.L. 78–346) provided a cash allowance for returning unemployed veterans. This was provided because, at the time, veterans were not eligible for unemployment compensation. However, because of a combination of factors, including the strong economic growth shortly after World War II and the GI Bill's education and training benefits, few veterans took advantage of the cash assistance program.

---

<sup>1</sup> This report does not address Federal employment and training programs open to everyone seeking jobs.

<sup>2</sup> This paper does not provide information on VA education benefits for veterans. For more information on education benefits for veterans see CRS Report R40723, *Educational Assistance Programs Administered by the U.S. Department of Veterans Affairs*, by Cassandra Dortch.

There is currently no system to provide a cash allowance to veterans seeking civilian employment although veterans are eligible for unemployment compensation, which provides partial replacement of lost cash wages.<sup>3</sup>

### **Employment Assistance**

The Federal Government operates programs to assist veterans seeking civilian employment and provides preferences in Federal employment for veterans. Outlined below are the major Federal programs and policies to assist veterans seeking civilian jobs.

### **Transition Assistance Programs**

The Department of Labor (DOL), in cooperation with the Department of Defense (DoD) and the VA, operates the Transition Assistance Program (TAP) and Disabled Transition Assistance Program (DTAP). Both programs are designed to provide information on employment and training for servicemembers within 180 days of separation from military service, or retirement.<sup>4</sup>

TAP is a 3-day workshop conducted at military installations that includes sessions on how to look for jobs, current market conditions (both labor market and occupation-specific information is provided), preparation of job search materials (including resumes), and interview techniques. DTAP adds additional hours to the 3-day program focused on the special needs of disabled servicemembers.

In addition to the employment assistance sessions, information is provided on veterans benefits administered by the VA.

### **Veterans State Grants Program**

The DOL Veterans' Employment and Training Service (VETS) offers assistance to veterans seeking jobs through the Jobs for Veterans State Grants (JVSG) Program. Under the program, grants are used to fund Disabled Veterans' Outreach Program (DVOP) specialists and Local Veterans' Employment Representatives (LVER).<sup>5</sup> These are State positions, funded by the Federal Government, that provide outreach and assistance to veterans seeking employment.

DVOP staff in a State are involved in outreach efforts to disabled veterans with greater barriers to employment, who therefore need more intensive services for employment or training. LVER staff help veterans find employment and are involved in outreach to the business community to encourage the hiring of veterans (including disabled veterans).

### **Veterans' Workforce Investment Program**

The VETS office also operates the Veterans' Workforce Investment Program (VWIP), a grant program authorized under the Workforce Investment Act (WIA, P.L. 105-220).<sup>6</sup> Grants may be made to fund programs operated by eligible State and local workforce investment boards, State or local agencies, or private non-profit organizations. The grants are intended to help reintegrate veterans into the civilian labor force; develop service delivery systems that address the needs of veterans entering the civilian workforce; enhance workforce investment activities related to veterans; and perform outreach or public information activities to promote employment of veterans.

In addition to the JVSG Program and the VWIP program, the VETS office in DOL also

- conducts the *HireVetsFirst* campaign to encourage employers to hire veterans;
- provides grants under the Homeless Veterans Reintegration Program;<sup>7</sup> and
- provides information to veterans and employers on re-employment rights under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA, P.L. 103-353).

All VETS activities are required partners in the One-Stop Career Center system established by WIA.<sup>8</sup>

<sup>3</sup>For more information on unemployment compensation for veterans, see CRS Report RS22440, *Unemployment Compensation (Insurance) and Military Service*, by Julie M. Whittaker.

<sup>4</sup>For more information on TAP and DTAP programs, see the Department of Labor's TAP Fact Sheet at [http://www.dol.gov/vets/programs/tap/tap\\_fs.htm](http://www.dol.gov/vets/programs/tap/tap_fs.htm).

<sup>5</sup>For information on LVER and DVOP grants, see the DOL guide to grants at [http://www.dol.gov/vets/grants/Final\\_VETS\\_Guide-linked.pdf](http://www.dol.gov/vets/grants/Final_VETS_Guide-linked.pdf).

<sup>6</sup>Ibid. (For information on VWIP grants).

<sup>7</sup>For more information on the program, please see CRS Report RL34024, *Veterans and Homelessness*, by Libby Perl.

<sup>8</sup>Local one-stop service centers can be found online at <http://www.servicelocator.org/>.

Any workforce development, job training, or placement program funded in part by DOL must provide a priority in services for veterans and eligible spouses. In general, persons covered under the priority of service (veterans and spouses) receive access to services and resources before non-covered persons.<sup>9</sup>

#### **America's Heroes at Work**

In January 2009, the DOL began a new pilot program, America's Heroes at Work, for veterans with traumatic brain injury (TBI) or post-traumatic stress disorder (PTSD). Under the pilot program, DOL will study, validate, and disseminate best practices related to helping employees with TBI or PTSD succeed on the job. The Web site for the program provide information and fact sheets for employers and veterans on topics related to TBI and PTSD, including how employers can make accommodations in their workplace for impacted employees.<sup>10</sup>

#### **Federal Employment Preferences**

The Federal Government has four policies that provide a preference to veterans: (1) a system of point preference for hiring; (2) special appointment (hiring) authority; (3) affirmative action requirements for Federal agencies; and (4) affirmative action requirements for contractors and subcontractors.<sup>11</sup>

##### **Point Preference**

Veterans are given a Federal preference in hiring to prevent an individual from being penalized for having spent time in military Federal service. A five-point preference is given to veterans with an honorable or general discharge who served on active duty (not active duty for training):

- during any war;
- during the period April 28, 1952, through July 1, 1955;
- for more than 180 consecutive days, any part of which occurred after January 31, 1955, and before October 15, 1976;
- during the Gulf War period beginning August 2, 1990, and ending January 2, 1992;
- for more than 180 consecutive days, any part of which occurred during the period beginning September 11, 2001, and ending on the date prescribed by Presidential proclamation or by law as the last day of Operation Iraqi Freedom; or
- in a campaign or expedition for which a campaign medal has been authorized, such as El Salvador, Lebanon, Grenada, Panama, Southwest Asia, Somalia, and Haiti.

To qualify for a five-point preference, medal holders and Gulf War veterans who originally enlisted after September 7, 1980, or entered on active duty on or after October 14, 1982, without having previously completed 24 months of continuous active duty, must have served continuously for 24 months or the full period called or ordered to active duty. As of October 1, 1980, military retirees at or above the rank of major or equivalent are not entitled to preference unless they qualify as disabled veterans.

A ten-point preference is given to

- honorably separated veterans who qualify as disabled veterans because they have served on active duty in the Armed Forces at any time and have a present service-connected disability or are receiving compensation, disability retirement benefits, or pension from the military or the Department of Veterans Affairs;
- honorably separated veterans who are Purple Heart recipients;
- the spouse of a veteran unable to work because of a service-connected disability;
- the unmarried widow of certain deceased veterans; and
- certain mothers of veterans who died in service or who are permanently and totally disabled.<sup>12</sup>

##### **Special Appointment (Hiring) Authority**

There are three special appointment authorities available to Federal Government agencies related to veterans: (1) Veterans Recruitment Appointment (VRA); (2) Vet-

<sup>9</sup>Regulations on the priority of service can be found at <http://www.dol.gov/vets/E8-30166.pdf>.

<sup>10</sup>The Web site for the program is <http://www.americaheroesatwork.gov/>.

<sup>11</sup>For Federal employment purposes, a veteran is an individual who has active duty service, with minimum length of service requirements, for one of the time periods defined in Title 5, §2108. For more information on Federal employment preferences for veterans, see the Office of Personnel Management's VetsInfo Guide at <http://www.opm.gov/veterans/html/vetsinfo.asp>.

<sup>12</sup>To receive the 10-point preference, the mother must be either: (1) married with a husband who is totally disabled; or (2) widowed, divorced, or separated at the time the 10-point preference is claimed (the mother loses the 10-point preference when she remarries).

erans Employment Opportunity Acts (VEOA); and (3) 30 percent or More Disabled Veteran (30 percent).

#### ***Veterans Recruitment Appointment (VRA)***

The use of a VRA allows agencies to appoint an eligible veteran without competition. The VRA is an excepted appointment to a position that is otherwise in the competitive service. After 2 years of satisfactory service, the veteran may be converted to a career-conditional appointment in the competitive service.<sup>13</sup>

Once in Federal employment, VRAs are treated like any other competitive service employee and may be promoted, reassigned, or transferred. VRA appointees with less than 15 years of education must complete a training program established by the agency. Veterans eligible for a VRA appointment are

- disabled veterans;
- veterans who served on active duty in the Armed Forces during a war, or in a campaign or expedition for which a campaign badge has been authorized;
- veterans who, while serving on active duty in the Armed Forces, participated in a United States military operation for which an Armed Forces Service Medal was awarded; or
- recently separated veterans.

In addition to meeting the criteria above, veterans must have been separated under honorable conditions (i.e., the individual must have received either an honorable or general discharge).

#### ***Veterans Employment Opportunity Act (VEOA)***

Federal agencies can recruit outside their own workforce, to all competitive service employees, in filling permanent competitive service openings. Veterans are eligible to apply for this type of open position even if not a current competitive service employee if the veteran is a preference eligible or has completed three or more years of active service. The Federal Government agency can then appoint the veteran using the VEOA appointment authority.

#### ***Thirty Percent or More Disabled Veteran***

The 30 percent or more disabled veteran authority allows a Federal Government agency to non-competitively appoint any veteran with a 30 percent or more service-connected disability to a permanent, temporary (1 year or less), or term (1 to 4 years) positions in the competitive service. For permanent appointments, the veteran is placed in a time limited (60 days maximum) appointment and then converted to permanent at management's discretion.

#### **Affirmative Action: Federal Agencies**

Federal agencies must have a separate affirmative action program for disabled veterans as part of agency efforts to hire, place, and advance persons with disabilities under the Rehabilitation Act of 1973 (P.L. 93-112).<sup>14</sup> Agencies are required to

- provide placement consideration under special noncompetitive hiring authorities for VRAs and veterans with a disability rating of 30 percent or more;
- ensure that all veterans are considered for employment and advancement under merit system rules; and
- establish an affirmative action plan for the hiring, placement, and advancement of disabled veterans.

#### **Affirmative Action: Contractors and Subcontractors**

Contractors and subcontractors with Federal contracts in excess of \$100,000 must report to the DOL on efforts to hire veterans in specific categories: disabled veterans, other protected veterans, Armed Forces service medal veterans, and recently separated veterans. Contractors and subcontractors are required to post job openings through State job services or one stop offices, and may post job openings on the Federal online service (America's Job Bank).<sup>15</sup>

#### **Veterans Hiring Initiative**

On November 9, 2009, President Obama issued Executive Order 13518, which established a Veterans Hiring Initiative and established a Council on Veterans Employment co-chaired by the Secretaries of DOL and VA. As part of the initiative,

<sup>13</sup> A veteran may be given a noncompetitive temporary or term appointment based on VRA eligibility. These appointments do not lead to career jobs.

<sup>14</sup> Each year the Office of Personnel Management (OPM) prepares a report with information on the accomplishments of affirmative action programs for disabled veterans. The OPM reports are available at <http://www.opm.gov/veterans/dvaap.asp>.

<sup>15</sup> The Federal online employment service can be found at <http://www.usajobs.com/>.

the Office of Personnel Management (OPM) established a new Web site—<http://www.fedshirevets.gov>—to provide information for veterans on Federal Government employment. One of the features of the Web site is an agency directory providing for each agency, the name, email address, and telephone number of the individual within each agency responsible for promoting veterans' employment within the agency.

#### **Other Federal Assistance**

The Department of Defense Appropriations Act, 2003 (P.L. 107-248) authorized the DoD to transfer funds to the Center for Military Recruitment, Assessment, and Veterans Employment. The center is a 501(c)(6) organization supported by construction employers and building and trade organizations within the AFL-CIO to help veterans find employment in the construction industry, through operation of the "Helmets to Hardhats" program.<sup>16</sup> The transfer of funds has been done each year since FY 2003, with the FY 2010 transfer being \$3.0 million as provided by the Department of Defense Appropriations Act (P.L. 111-118).

The Department of Education transfers funds to the DoD to provide funding for participants in the "Troops 2 Teachers" Program. The program can provide a stipend of up to \$5,000 for eligible military personnel to obtain certification as an elementary, secondary, or vocational/technical teacher. Instead of the stipend for certification, the program may pay a bonus of up to \$10,000 to participants who teach in a high-poverty school. For FY 2010, the funding for the program is \$14 million.

#### **Author Contact Information**

Christine Scott Specialist in Social Policy [cscott@crs.loc.gov](mailto:cscott@crs.loc.gov), 7-7366

---

### **Prepared Statement of Philip L. Roness, Deputy Commissioner, Bureau of Labor Statistics, U.S. Department of Labor**

Madam Chair and Members of the Subcommittee:

Thank you for this opportunity to discuss the State of veterans' employment. In general, the employment situation among veterans overall does not differ much from that of nonveterans with similar demographic characteristics. However, age and other differences affect labor force status. It is important to consider these factors when comparing the employment situation of veterans to those of nonveterans, or when comparing different groups of veterans, because these groups differ in their demographic compositions. For example, recent veterans tend to be under the age of 35, and younger workers—whether veterans or nonveterans—are more likely to be unemployed than older workers.

Information on the employment and unemployment status of veterans is obtained from the Current Population Survey (CPS), a monthly sample survey of about 60,000 households that is the source of the national unemployment rate. Basic labor market data about veterans are collected each month. Additional data on service-connected disability, Reserve or National Guard status, and service in a combat or war zone are now collected once a year. I would like to mention that a table showing veterans' and nonveterans' labor force status was recently added to the monthly Employment Situation news release.

In the CPS, veterans are defined as men and women who have previously served on active duty in the U.S. Armed Forces and who were civilians at the time they were surveyed. Veterans are grouped according to the era during which they served. Veterans who served in more than one wartime period are classified in the most recent one. Those who served during a wartime period and another period are classified in the wartime period.

In 2009, there were about 22 million veterans among the civilian noninstitutional population ages 18 and over. About half (51 percent) of them last served during World War II, the Korean War, and the Vietnam era. Virtually all of those veterans are age 55 and older, and only 3 percent are women.

Almost 2 million veterans served during Gulf War era II (September 2001 forward), accounting for nearly 1 in 10 of all veterans. These veterans are young—nearly two-thirds are under the age of 35. Also far more are women—18 percent—than were veterans of earlier eras. These younger veterans also have much different levels of education than do nonveterans of the same age. For example, among 25 to 34 year olds, veterans are far less likely to be high school dropouts (2 percent compared to 12 percent for nonveterans in 2008), but they are also less likely to

---

<sup>16</sup>For more information, see the program Web site at <http://www.helmetstohardhats.com/>.

have received a bachelor's degree (19 percent versus 33 percent). That college graduation gap nearly disappears among veterans in the 35 to 44 age group.

For most age and sex groups, employment status did not vary much based on veteran status. However, male veterans age 18 to 24 were somewhat more likely to be employed than were their nonveteran counterparts. Veterans of Gulf War era II were more likely to be employed than were veterans from World War II, the Korean War, and the Vietnam era, but that simply reflects the fact that so many veterans from these eras have reached retirement ages.

Veterans of Gulf War era II who served in combat or war zones had employment rates that were similar to those of veterans of the era who did not serve in combat or war zones, according to August 2009 data from the CPS veterans supplement survey. Noncombat veterans of World War II, the Korean War, and the Vietnam era had a somewhat higher share of their population in employment than did those who had served in a combat or war zone, but that is likely the result of the combat veterans being somewhat older.

The Committee also asked about unemployment rates for female versus male veterans. In 2009, there was no statistically significant difference between the unemployment rates for female and male veterans, as the rates were 8.0 and 8.1 percent, respectively. The jobless rates for female and male veterans of Gulf War era II were not statistically different either, 11.5 percent versus 9.9 percent. (The standard error for the unemployment rate of female Gulf War-era II veterans is large because of the relatively small size of this group.)

Recent press reports have noted the high unemployment rate for 18 to 24 year old male Gulf War era II veterans, 21.6 percent in 2009. This is slightly higher than the rate for male nonveterans of that age. The jobless rates for both groups have about doubled since 2007, reflecting the impact of the recession. A sharp rise also occurred in the unemployment rates for older male Gulf War era II veterans, although their rates are lower than those of their young counterparts.

In August 2009, about 2.8 million veterans, or 13 percent of the total, reported having a service-connected disability. Veterans with a service-connected disability are assigned a disability rating by the U.S. Department of Veterans Affairs. Ratings range from 0 to 100 percent, in increments of 10 percentage points, depending on the severity of the condition. According to the CPS, about 4 in 10 disabled veterans reported a disability rating of less than 30 percent, while about 1 in 4 had a rating of 60 percent or higher.

Among veterans who served during Gulf War eras I and II (anytime since August 1990), about 20 percent reported having a service-connected disability in August 2009. The unemployment rate of disabled veterans from the Gulf War eras was 10.4 percent, not statistically different from the rate for nondisabled veterans (9.7 percent). But the effect of their disability tends to reveal itself in *employment* measures, more so than *unemployment*. Of the disabled Gulf War era veterans, 71 percent were employed, compared with 82 percent of nondisabled veterans from this period. (This discussion of service-connected disability looks at Gulf War eras I and II combined in order to increase the statistical reliability of the estimates.)

Veterans are more likely to work for the Federal Government than are nonveterans. In August 2009, almost 20 percent of employed veterans with a service-connected disability worked for the Federal Government, as did about 8 percent of veterans without a service-connected disability. By comparison, only 2 percent of nonveterans worked for the Federal Government. Younger male Gulf War II era veterans (those 25 to 34) are more likely than their nonveteran counterparts to work in service occupations and in construction, maintenance, and production jobs, and less likely to work in professional jobs and in sales and office occupations. Veterans in the 35-to-44 age group are more likely to be professionals and managers than their younger counterparts.

Finally, I would like to note that Gulf War-era II veterans who were current or past members of the Reserve or National Guard had an unemployment rate of 10.6 percent in August 2009, compared with a rate of 13.8 percent for those who had not been members. That difference is largely related to the older age profile of the Reserve and Guard veterans.

My colleagues and I now would be glad to answer your questions.

## [Text and Image Version of Slide Presentation]

**Employment Situation of Veterans 2009**

**Philip L. Rones**  
**Deputy Commissioner**  
**Bureau of Labor Statistics**

**April 15, 2010**

**Where do the data come from?**

- The data are collected as part of the Current Population Survey (CPS). The CPS is a monthly survey of about 60,000 households.
- The CPS is a joint program between the Bureau of Labor Statistics (BLS) and the Census Bureau.
- It is the source of civilian employment and unemployment data, including the national unemployment rate.
- Questions are included in the survey that identify veterans and their period of service (when they served).

**Who are veterans?**

- *Veterans* are men and women who served on active duty in the U.S. Armed Forces and were civilians at the time of the survey. Members of the Reserve and National Guard are counted as veterans if they have ever been called to active duty.
- *Nonveterans* are men and women who have never served on active duty in the U.S. military.

**Periods of Service**

- Labor force statistics are available by these periods of service:

Gulf War era II = Sept. 2001–present  
 Gulf War era I = Aug. 1990–Aug. 2001  
 Vietnam era = Aug. 1964–April 1975  
 Korean War = July 1950–Jan. 1955  
 World War II = Dec. 1941–Dec. 1946  
 Other service periods = All other time periods

“Other service periods” are the dates between war periods:

May 1975–July 1990, Jan. 1947–June 1950,  
 Feb. 1955–July 1964, Nov. 1941 or earlier

NOTE: The CPS monthly survey does not identify where a veteran served.

**Data on veterans are available monthly from the Current Population Survey (CPS)**

- Veterans data are published monthly in the Employment Situation news release.
- Additional tables are available from BLS on topics such as:
  - Age, sex, race, and Hispanic ethnicity
  - Occupation and industry
  - Full or part-time status
  - Class of worker (private, government, self-employed, unpaid family worker)
  - Duration of unemployment

**Additional data are available from the veterans supplement**

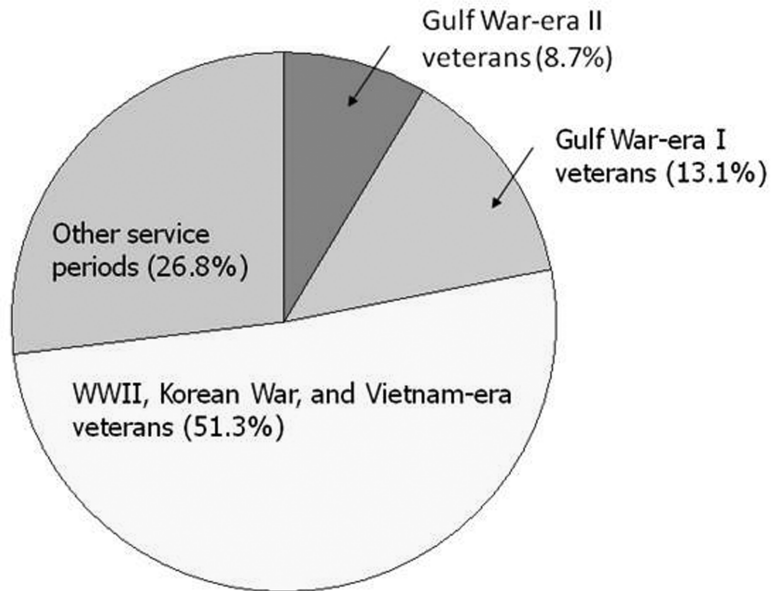
- Collected every 2 years since 1985; conducted annually beginning in 2009. (August 2009, July 2010, August 2011, August 2012).
- Co-sponsored by the Veterans' Employment and Training Service (VETS) and the Department of Veterans Affairs (VA).
- Provides additional information about veterans such as presence and rating of service-connected disability, Reserve or National Guard status, and service in a combat or war zone.



### Employment Situation of Veterans

#### Characteristics of veterans

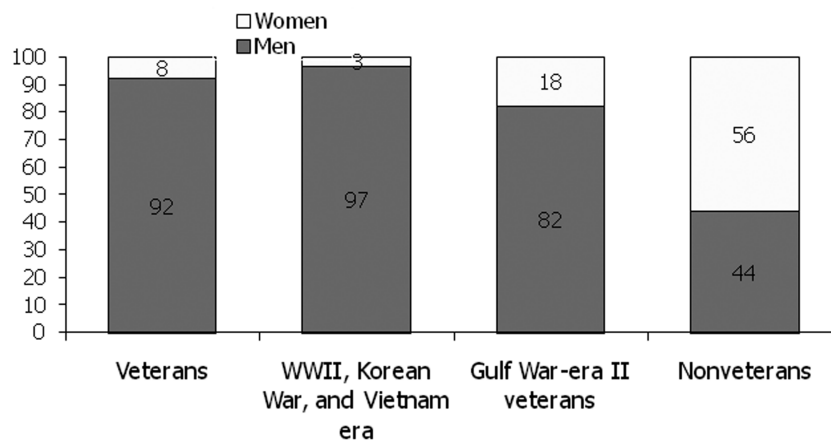
**Chart 1. Of the 22 million veterans, the largest group is from WWII, Korean War, and Vietnam era**



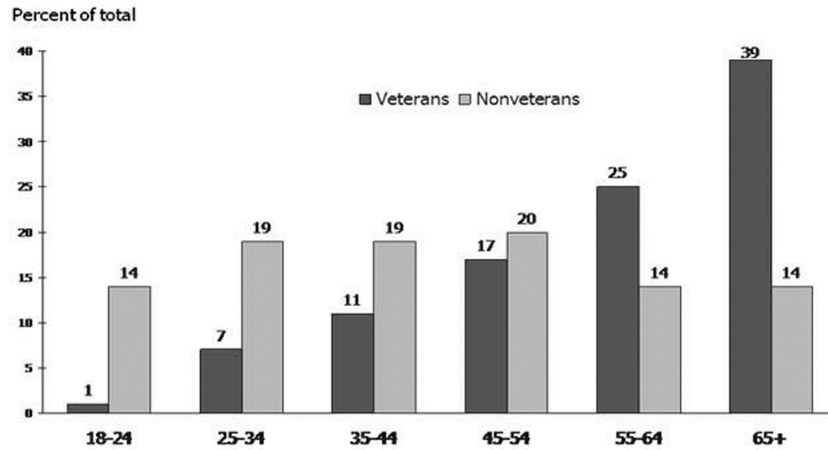
**Note:** Gulf War-era II veterans served anywhere on active duty since September 2001. Gulf War-era I veterans served anywhere between August 1990 and August 2001.

**Source:** Bureau of Labor Statistics, Current Population Survey, annual averages 2009.

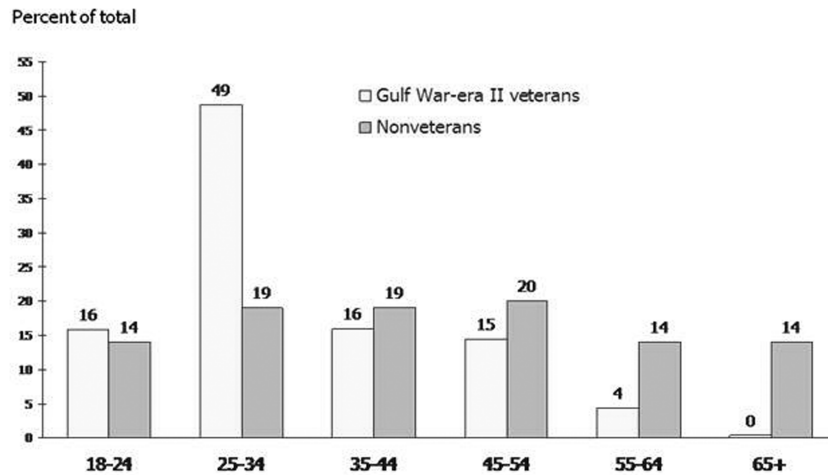
**Chart 2. Most veterans are men**



**Source:** Bureau of Labor Statistics, Current Population Survey, annual averages 2009

**Chart 3. Overall, veterans are older than nonveterans**

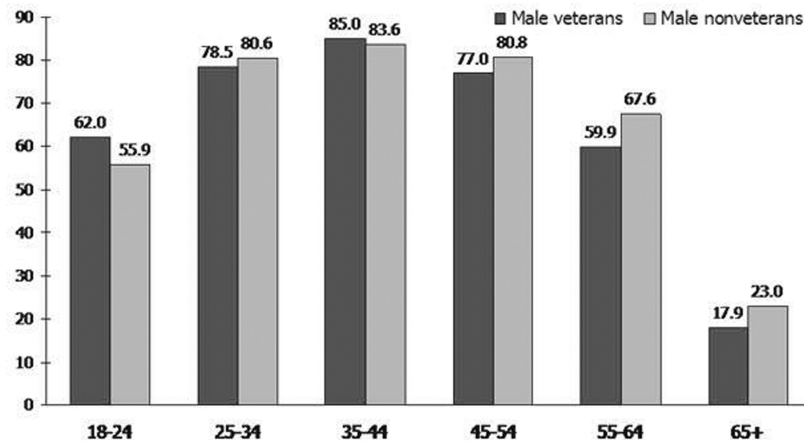
Source: Bureau of Labor Statistics, Current Population Survey, annual averages 2009

**Chart 4. Most Gulf War-era II veterans are under 35 years old**

Source: Bureau of Labor Statistics, Current Population Survey, annual averages 2009

**Chart 5. Among men, veterans age 18-24 are somewhat more likely than nonveterans to be employed**

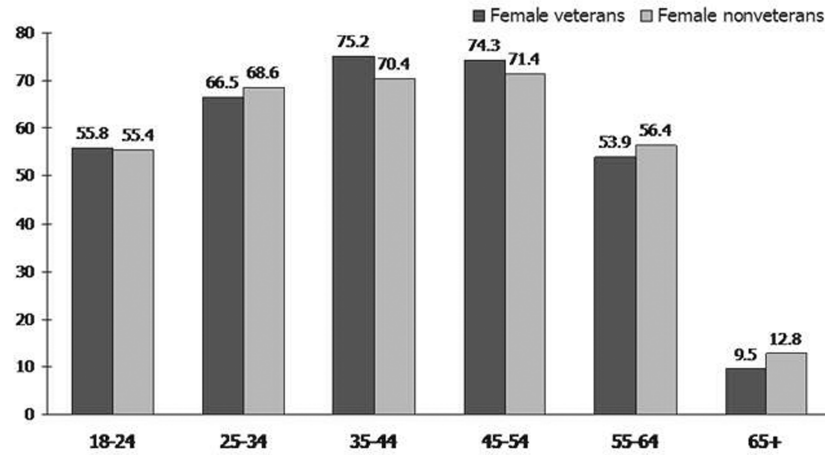
Employed as a percent of population



Source: Bureau of Labor Statistics, Current Population Survey, annual averages 2009

**Chart 6. Women of similar ages are employed at about the same rates**

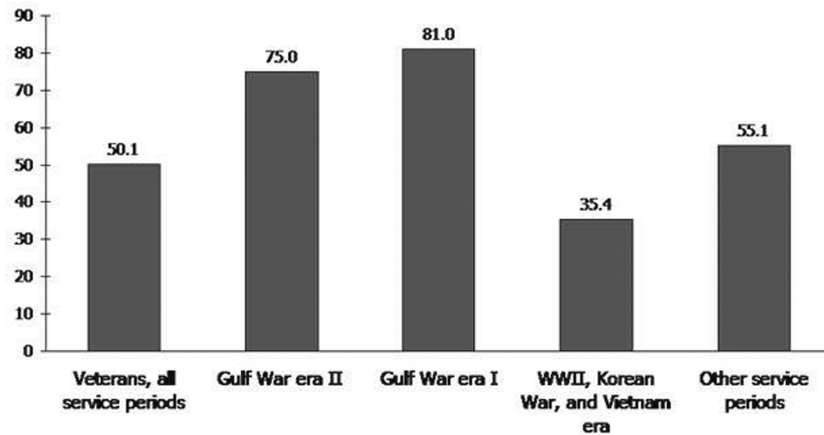
Employed as a percent of population



Source: Bureau of Labor Statistics, Current Population Survey, annual averages 2009

**Chart 7. WWII, Korean War, and Vietnam-era veterans tend to have lower employment rates, largely reflecting their age**

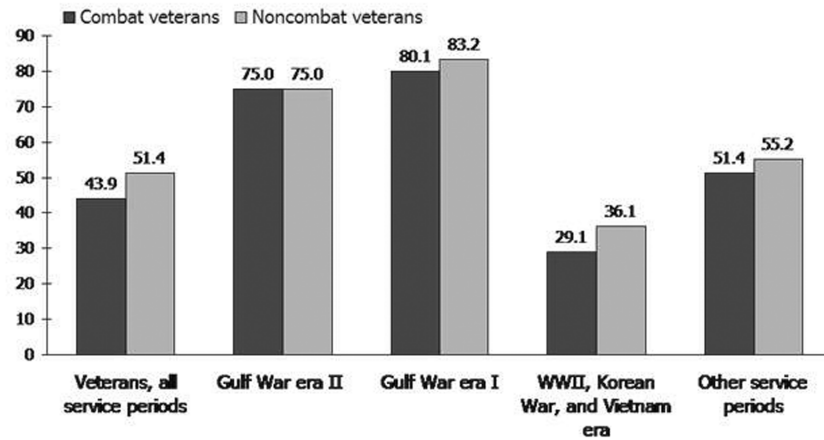
Employed as a percent of population



Source: Bureau of Labor Statistics, Current Population Survey, annual averages 2009

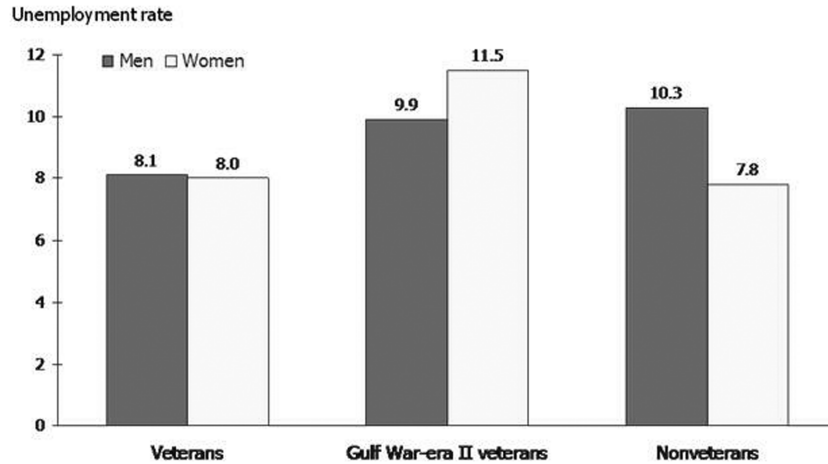
**Chart 8. Employment varies little by combat status**

Employed as a percent of population



Source: Bureau of Labor Statistics, Current Population Survey, annual averages 2009

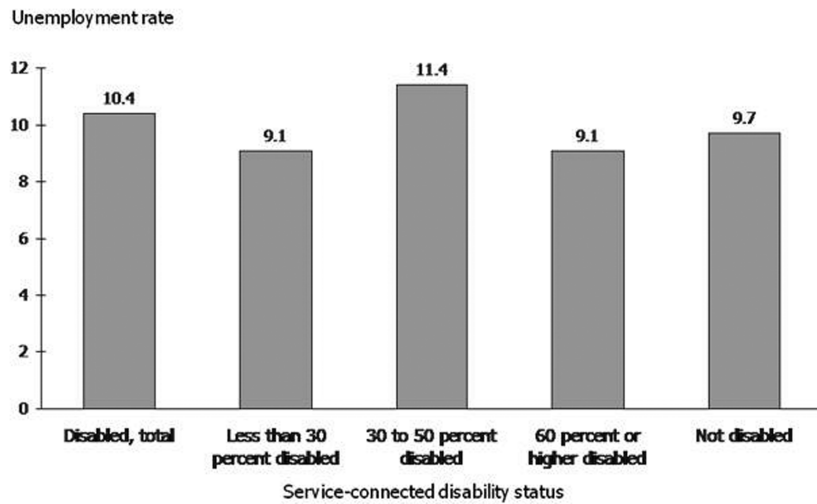
**Chart 9. Male veterans and female veterans have similar unemployment rates by period of service**



**Note:** The unemployment rates of male and female Gulf War-era II veterans are similar. The unemployment rate for female Gulf War-era II veterans is based on a relatively small sample. Small samples have large standard errors.

**Source:** Bureau of Labor Statistics, Current Population Survey, annual averages 2009

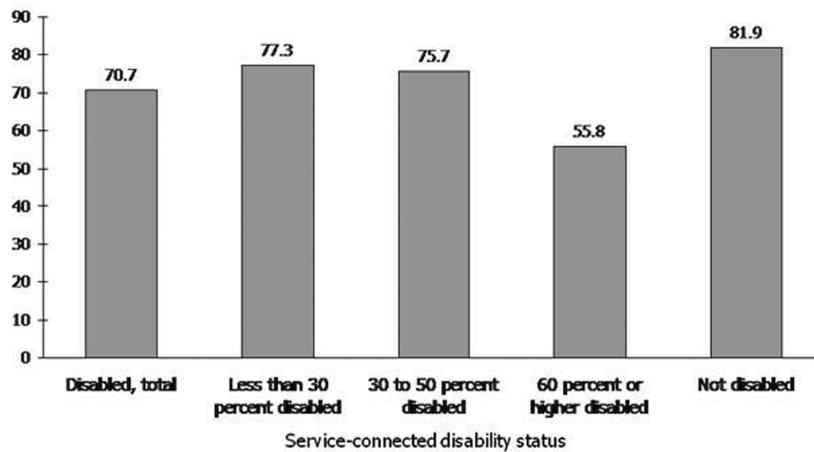
**Chart 10. Among veterans who served sometime since August 1990, there is little difference in the unemployment rates of those with or without a service-connected disability**



**Source:** Bureau of Labor Statistics, Current Population Survey, August 2009 veterans supplement

**Chart 11. Among veterans who served sometime since August 1990, those with a service-connected disability are less likely to be employed than those without a service-connected disability**

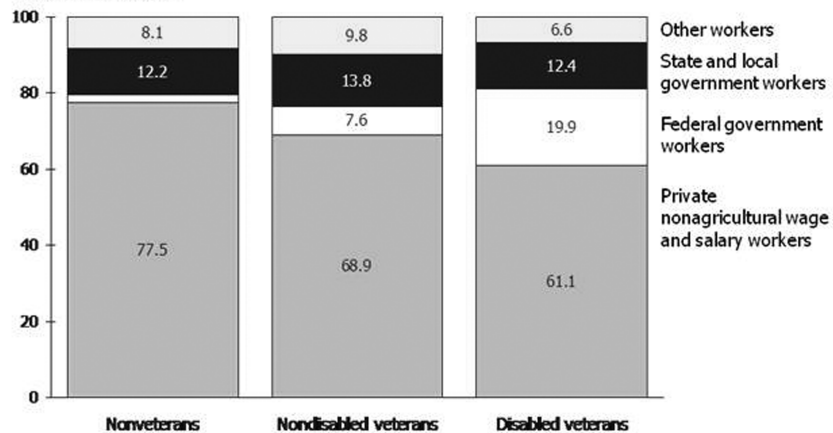
Employed as a percent of population



Source: Bureau of Labor Statistics, Current Population Survey, August 2009 veterans supplement

**Chart 12. 1 of 5 employed disabled veterans works for the Federal Government**

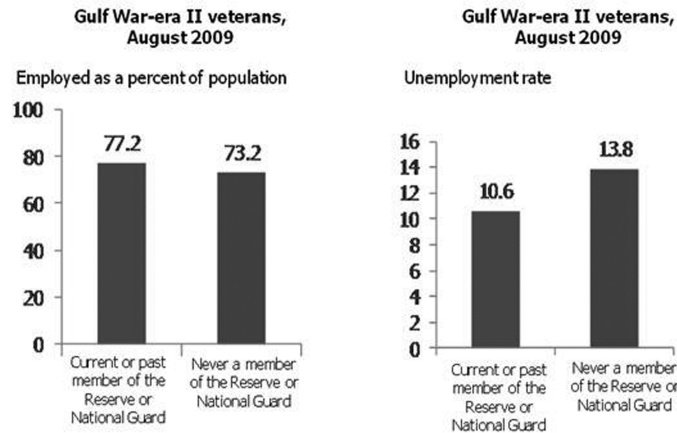
Percent of employed



**Note:** "Other workers" includes persons employed in agriculture, the unincorporated self-employed, and unpaid family workers. Totals may not add to 100 percent because of rounding.

**Source:** Bureau of Labor Statistics, Current Population Survey, August 2009 veterans supplement.

**Chart 13. Current or past members of the Reserve or National Guard have higher employment rates and lower unemployment rates than veterans who never were members of the Reserve or National Guard**



**Source:** Bureau of Labor Statistics, Current Population Survey, August 2009 veterans supplement.

Further information is available at: <http://www.bls.gov/cps/demographics.htm#vets> or by calling (202) 691-6378

#### **Prepared Statement of Mark Walker, Deputy Director, National Economic Commission, American Legion**

Madame Chairwoman, Ranking Member Boozman and distinguished Members of the Subcommittee, thank you for the opportunity to submit the views of The American Legion regarding the "Status of Veterans Employment."

The Department of Labor (DOL) reports that one in three Iraq and Afghanistan veterans under the age of 24 are currently out of work. The unemployment rate for veterans of all ages was 9.8 percent in March. According to the same DOL report, the total number of unemployed veterans of the two wars is about 250,000. Unfortunately, many of the thousands of servicemembers who are currently leaving the service are from the combat arms and non-skilled professions that are not readily transferable to the civilian labor market. The American Legion understands that, with an overall unemployment rate at 14.7 percent for Iraq and Afghanistan veterans, there is an immense need to ensure that veterans are getting trained and are afforded ample opportunities to succeed in this unstable job market.

#### **DEPARTMENT OF LABOR (DOL) VETERANS' EMPLOYMENT AND TRAINING SERVICE (VETS)**

The American Legion is eager to see VETS grow; and especially would like to see greater expansion of entrepreneurial-based, self-employment opportunity training. The mission of VETS is to promote the economic security of America's veterans. This mission is executed by assisting veterans in finding meaningful employment. The American Legion believes that by strengthening American veterans, we in turn strengthen America. Annually, the Department of Defense (DoD) discharges approximately 200,000 servicemembers. Recently separated servicemembers will seek immediate employment or, increasingly, have chosen some form of self-employment. In order for the VETS program to assist these veterans to achieve their goals, it needs to:

- Expand its outreach efforts with creative initiatives designed to improve employment and training services for veterans;

- Provide employers with a labor pool of quality applicants with marketable and transferable job skills;
- Provide information on identifying military occupations that require licenses, certificates or other credentials at the local, State, or national levels;
- Eliminate barriers to recently separated servicemembers and assist in the transition from military service to the civilian labor market;
- Strive to be a proactive agent between the business and veterans' communities to provide greater employment opportunities for veterans; and,
- Increase training opportunities, support, and options for veterans who seek self-employment and entrepreneurial careers.

The American Legion believes staffing levels for Disabled Veterans' Outreach Program (DVOPs) Specialists and Local Veterans' Employment Representatives (LVERs) should match the needs of the veterans' community in each State and should not be based solely on the fiscal needs of the State government. Such services will continue to be crucial as today's active duty servicemembers, especially those returning from Iraq and Afghanistan, transition into the civilian work world. Education, vocational and entrepreneurial training and employment opportunities will enable these veterans to succeed in their future endeavors. Adequate funding will allow these programs to increase staffing to provide comprehensive case management and job placement assistance to disabled and other eligible veterans.

Section 4103A, title 38, United States Code (USC), requires that all DVOP specialists shall be qualified veterans and preference be given to qualified disabled veterans in appointment to DVOP specialist positions. Section 4104(c), title 38, USC, states: "*A State shall, to the maximum extent practicable, employ qualified veterans or eligible persons to carry out the services referred to in subsection (a). Preference shall be accorded first to qualified service-connected disabled veterans; then, if no such disabled veteran is available, to qualified eligible veterans; and, if no such eligible veteran is available, then to qualified eligible persons.*"

The American Legion believes that military experience is essential to understanding the unique needs of the veteran and that all LVERs, as well as all DVOPs, should be veterans and should be additionally educated to be able to address the needs of veterans who desire entrepreneurial support. The American Legion also believes that all employees of the Veterans' Employment and Training Services should be eligible veterans including Veteran Program Specialists.

The American Legion supports legislation to restore language to Chapter 41, title 38, USC, that requires that part-time DVOP/LVER positions be assigned only after approval of the VETS program, and that the Secretary of Labor be required to monitor all career centers that have veterans on staff. P.L. 107-288 eliminated the requirement DOL-VETS review all workforce centers annually and this has minimized Federal oversight of the programs. The Assistant Secretary (ASVET) has drastically cut funds for this activity and established a policy that only 10 percent of the centers operated under title 38, USC, will be reviewed. P.L. 107-288 removed the job descriptions of DVOPs and LVERs from title 38, USC, and gave the States the ability to establish the duties and responsibilities, thus weakening the VETS program across the country by eliminating the language that required these staff positions provide services only to veterans. Additionally, The American Legion seeks legislation that will transfer all DVOPs and LVERs from the State Agencies to DOL-VETS for supervision and oversight in order to ensure that the individuals employed to serve veterans are not used for other programs.

Veterans returning from Afghanistan, Iraq and other tours of duty are not always coming back to a hero's welcome—at least from employers. The Bureau of Labor Statistics reported that the jobless rate for veterans between ages 18 to 24 was 21.1 percent in 2009. Numerous national publications have reported veterans are having a more difficult time finding jobs compared to non-veterans, due to physical and mental health issues, multiple deployments and difficulty with translating military skills into civilian workforce language. The employment market is tougher for young veterans. This is a major reason why funding the VETS program is so critical.

Veterans need proper training and tools to begin new careers after they leave military service. The Veterans Workforce Investment Program (VWIP) has received \$9.6 million in funding, which allows the program to operate in only 15 States. There are thousands of veterans available for work, but they lack marketable, technological skills, especially for jobs that exist in the Information Age economy. The problem is clearly a lack of adequate funding. Veterans are the only participants in this program. The budget baseline needs to be increased to allow VETS to train eligible veterans in all 50 States in FY 2011.



### **MILITARY OCCUPATIONAL SPECIALTY TRANSITION (MOST) PROGRAM**

The American Legion supports the new legislation, H.R. 929, introduced by Representative Welch (VT) that will authorize \$60 million for the next 10 years to fund the program modeled after the highly successful Servicemembers' Occupational Conversion and Training Act (SMOCTA). SMOCTA was originally established to respond to the needs of veterans who had been hurt by the downsizing of the military in the 1990s by providing job training and employment to eligible veterans. Veterans eligible for assistance under SMOCTA were those with a primary or secondary military occupational specialty that DoD determined were not readily transferable to the civilian workforce or those veterans with a service-connected disability rating of 30 percent or higher. SMOCTA was a unique job-training program because there was a job for the veteran upon completion of training. Many LVERs and DVOPs publicly praised the effectiveness of SMOCTA because it successfully returned veterans to the civilian workforce.

H.R. 929, The Military Occupational Specialty Transition Act (MOST), builds upon the success of SMOCTA and would help veterans who are not currently eligible for training or education benefits, are unemployed or underemployed, and whose military training does not readily transfer to the civilian workforce. MOST would help businesses defray the costs of providing veterans with on-the-job training by providing up to 50 percent of a veteran's wage during training. The Congressional Budget Office estimates MOST could provide 3,000 veterans a year with the skills they need to compete in this challenging economic environment.

If enacted, MOST would be the only Federal job training program available strictly for veterans and the only Federal job training program specifically designed and available for use by State veterans' employment personnel to assist veterans with barriers to employment.

Today, with a tough economy and the high demands this Nation places on veterans, the rationale for reestablishing a modernized version of an effective job placement and on-the-job training program is stronger than ever.

### **VOCATIONAL REHABILITATION AND EMPLOYMENT SERVICE (VR&E)**

Since the 1940s, VA has provided vocational rehabilitation assistance to veterans with disabilities incurred during military service. The Veterans Rehabilitation and Education Amendments of 1980, Public Law (P.L.) 96-466, changed the emphasis of services from training, aimed at improving the employability of disabled veterans, to helping veterans obtain and maintain suitable employment and achieve maximum independence in daily living. Vocational Rehabilitation and Employment (VR&E) program employment goals are accomplished through training and rehabilitation programs authorized under Chapter 31 of title 38, USC. Title 38, USC, provides a 12-year period of eligibility after the veteran is discharged or first notified of a service-connected disability rating. To be entitled to VR&E services, veterans must have at least a 20 percent service-connected disability rating and an employment handicap or less than a 20 percent disability and a serious employment handicap.

The mission of the VR&E program is to help qualified, service-disabled veterans achieve independence in daily living and, to the maximum extent feasible, obtain and maintain suitable employment. The American Legion fully supports these goals. As a nation at war, there continues to be an increasing need for VR&E services to assist Operation Iraqi Freedom and Enduring Freedom veterans in reintegrating into independent living, achieving the highest possible quality of life, and securing meaningful employment.

The success of the rehabilitation of our disabled veterans is determined by the coordinated efforts of every Federal agency (DoD, VA, DOL, Office of Personnel Management, Department of Housing and Urban Development, etc.) involved in the seamless transition from the battlefield to the civilian workplace. Timely access to quality health care services, favorable physical rehabilitation, vocational training, and job placement play a critical role in the "seamless transition" of each veteran, as well as his or her family.

Administration of VR&E and its programs is a responsibility of the Veterans Benefits Administration (VBA). Providing effective employment programs through VR&E must become a priority. Until recently, VR&E's primary focus has been providing veterans with skills training, rather than providing assistance in obtaining meaningful employment. Clearly, any employability plan that doesn't achieve the ultimate objective—a job—is falling short of actually helping those veterans seeking assistance in transitioning into the civilian workforce. Eligible veterans who are enrolled into the education and training programs receive a monthly allowance; those veterans who use VR&E for assistance with immediate employment do not. This policy leaves out needed assistance for veterans looking for immediate employment,

which could lead that veteran into a different track and miss out on early entry into the civilian workforce.

Another problem hindering the effectiveness of the VR&E program, as cited in reports by the Government Accountability Office (GAO), is exceptionally high workloads for the limited number of staff. This hinders the staff's ability to effectively assist individual veterans with identifying employment opportunities. A recent GAO report noted that 54 percent of all 57 regional offices stated they have fewer counselors than they need and 40 percent said they have fewer employment coordinators than they need. As in the past, achieving ample staffing in VR&E is a major concern. Without sufficient staffing, the success of VR&E programs becomes extremely challenging, especially due to the returning veterans from Iraq and Afghanistan and their more complex cases.

Vocational counseling also plays a vital role in identifying barriers to employment and matching veterans' transferable job skills with those career opportunities available for fully qualified candidates. Becoming fully qualified becomes the next logical objective toward successful transition. Veterans' preference should play a large role in vocational counseling as well. The Federal Government has scores of employment opportunities that educated, well-trained, and motivated veterans can fill given a fair and equitable chance to compete. Working together, all Federal agencies should identify those vocational fields, especially those with high turnover rates, suitable for VR&E applicants. Career fields like information technology, claims adjudications, and debt collection offer employment opportunities and challenges for career-oriented applicants that also create career opportunities outside the Federal Government.

#### **LICENSING AND CERTIFICATION**

DoD provides some of the best vocational training in the Nation for its military personnel. It establishes measures and evaluates performance standards for every occupation within the Armed Forces. There are many occupational career fields in the Armed Forces that easily translate to a civilian counterpart in the civilian workforce that require a license or certification. In the Armed Forces, these unique occupations are performed to approved military standards that may meet or exceed the civilian license or certification criteria.

Upon separation, however, many servicemembers, certified as proficient in their military occupational career, are not licensed or certified to perform the comparable job in the civilian workforce, thus hindering chances for immediate civilian employment and delaying career advancement. This situation creates an artificial barrier to employment upon separation from military service. Military Occupation Specialties (MOS) or ratings such as motor transport, corpsman or medic, need to undergo additional training, once out of the service, to work in their career path. This process slows down the veteran in obtaining gainful employment.

The American Legion supports efforts to eliminate employment barriers that impede the transfer of military job skills to the civilian labor market. We also support efforts that require DoD take appropriate steps to ensure that servicemembers be trained, tested, evaluated and issued any licensure or certification that may be required in the civilian workforce prior to separation. The American Legion supports efforts to increase the civilian labor market's acceptance of the occupational training provided by the military.

#### **VETERANS EDUCATION**

With the passage and implementation of the Post-9/11 GI Bill, veterans are now able to attend school at no cost to them in addition to receiving a housing allowance and an annual books stipend. These benefits are entitled benefits to those who have served since September 11, 2001, and will allow those individuals to gain an education and solid employment path. With all the benefits there are still disparities that exist in the current Post-9/11 GI Bill.

Veterans choose different career paths and with that they decide on alternate educational path. Veterans receive certain training in the military and would like to continue their career path by attending vocational schools, apprenticeship program, on-the-job training and possible flight training. In order for these veterans to receive benefits, they must use the Montgomery GI Bill benefits. Comparatively, the Post-9/11 GI Bill provides a more comprehensive payment, but because veterans are not attending degree-granting institutions or Institutes of Higher Learning, they cannot use Chapter 33 and must rely on the Montgomery GI Bill to receive their education.

They will not receive in-state tuition, not the housing allowance nor the books stipend, but instead will receive a small financial figure to help them through this education process. The veteran is entitled to the Post-9/11 GI Bill, but cannot use their comprehensive education benefits for the school of their choosing. Veterans and

their families need to become productive members of the working force in the shortest amount of time and, in most cases, a 10–20 month ongoing program is much shorter than spending 4 years getting a degree that does not guarantee them employment. Employment in this economy is the final outcome. The American Legion wants to ensure that this is the final goal and that with the use of all of their benefits that veterans have a choice in choosing employment path.

### **CONCLUSION**

The American Legion strongly believes that with the status of the economy and veterans' unemployment being at a staggeringly high number that we are duly responsible for the welfare of these veterans and their families. The American Legion is working hard to assist veterans during their time of need with our Temporary Financial Assistance, and direct employment assistance through our Economic Division; however, the Federal Government can ensure that the programs that are in place are fully staffed, efficient and achieving their goals of finding veterans gainful employment. The American Legion will continue to assist veterans and their families in their transition to employment through our Career Fairs that we sponsor across the country with Military.com and RecruitMilitary along with the Small Business Development Workshops that we hold during our annual Washington Conference and National Convention. Lastly, The American Legion would like the opportunity to work with Congress to ensure that veteran-based programs are successful.

Again, thank you for the opportunity to submit the opinion of The American Legion on these issues.

---

### **Prepared Statement of Tim S. Embree, Legislative Associate, Iraq and Afghanistan Veterans of America**

Madam Chairwoman, Ranking Member, and Members of the Subcommittee, on behalf of Iraq and Afghanistan Veterans of America's one hundred and eighty thousand members and supporters, I would like to thank you for allowing us to testify before your Subcommittee. My name is Tim Embree and I served two tours in Iraq with the United States Marine Corps Reserves. The "Status of Veterans Employment" is a critical issue facing many Iraq and Afghanistan veterans and IAVA welcomes the opportunity to discuss this issue at length with you.

### **Executive Summary:**

America's newest veterans face serious employment challenges. The process of returning to civilian life is complicated by the most severe economic recession in decades. Furthermore, many Iraq and Afghanistan veterans, leaving the active-duty military, find civilian employers who do not understand the value of their skills and military experience. As a result, unemployment rates for Iraq and Afghanistan veterans are staggering. Additionally, the National Guardsmen and Reservists who leave behind their civilian lives to serve alongside active-duty troops, are inadequately protected against job discrimination. The experience of previous generations of veterans who faced similar situations suggest that today's veterans may continue to struggle for years to come.

IAVA recommends the following to combat veterans' unemployment:

- Fully restore funding to the ESGR, which provides critical USERRA protections for deploying Guard and Reservists. ESGR is slated to be cut 17 percent in FY 2011.
- Grant Post-9/11 GI Bill benefits to veterans who enroll in apprenticeships, On the Job Training, and vocational programs.
- Allow service-disabled veterans the option to use their education benefits and voc-rehab services concurrently.
- Extend the tax credit in the American Recovery and Reinvestment Act, which incentivizes hiring Iraq and Afghanistan veterans, beyond 2010.
- Increase Department of Labor VETS budget by \$7.3 million for FY 2011 to improve job placement programs.
- Mandate public reporting of all VETS-100 forms (# of veterans hired by Federal contractors).
- Create civil and criminal penalties for employers who knowingly violate USERRA protections.
- Extend USERRA protections to National Guardsmen, Reservists, and service-members working in domestic response operations, such as hurricane or wildfire missions.

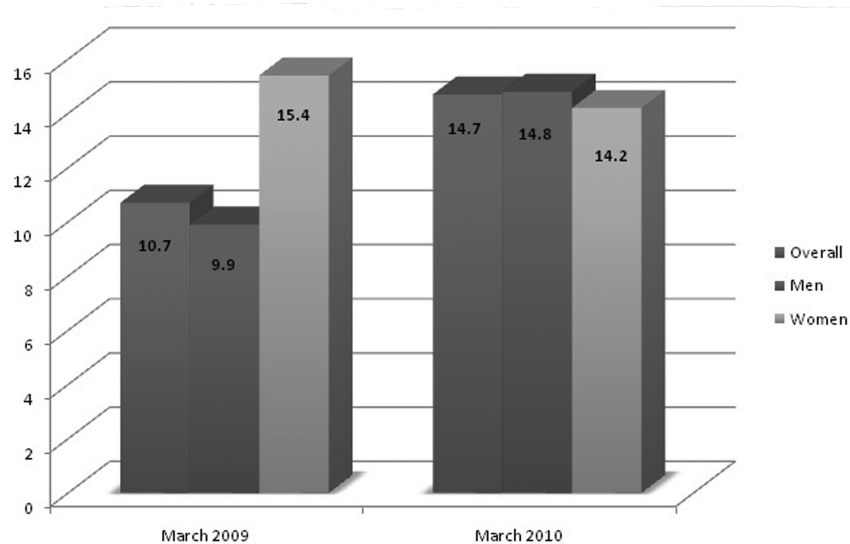
### I. Status of Veterans Employment

*"I have had to move my family 2–3 times in search for employment ... I have had LOTS of difficulty finding employment"—IAVA Vet*

Unemployment rates among new veterans have risen significantly in the last 2 years. According to the Bureau of Labor Statistics, in 2009, the average unemployment rate for Iraq and Afghanistan-era veterans was 10.2 percent. Unemployment rates from 2007 and 2008 were 6.1 percent and 7.3 percent respectively. The unemployment rate of Reserve and National Guardsmen, who often leave behind civilian jobs when they deploy, have **more than quadrupled** since 2007. They now rival that of veterans recently discharged from the military—10.6 percent vs. 13.8 percent.

Disturbingly, the situation appears to be deteriorating further. According to the Bureau of Labor Statistics, in March 2010, the unemployment rate of Iraq and Afghanistan-era veterans was 14.7 percent.<sup>i</sup>

**Unemployment Rates of Iraq and Afghanistan-Era Veterans**



*"All the jobs I found that would hire vets were security jobs that pay \$8 bucks an hour"—IAVA Vet*

Finding a job for a returning veteran is hard, but finding quality employment is extremely difficult. Sixty-one percent of employers do not believe they have "a complete understanding of the qualifications ex-servicemembers offer"<sup>ii</sup> and recently separated servicemembers with college degrees earn on average almost \$10,000 less per year than their nonveteran counterparts.<sup>iii</sup> This wage gap could continue for decades; Vietnam veterans earned significantly less than their civilian peers till they were in their fifties.

IAVA is also concerned about the duration of new veterans' unemployment. In 2009, 75,000 Iraq and Afghanistan-era veterans suffered from long-term unemploy-

<sup>i</sup>Bureau of Labor Statistics, "Employment Situation Summary: March 2010," April 2, 2010, Table A-5: <http://www.bls.gov/news.release/empstat.nr0.htm>.

<sup>ii</sup>Military.com, "Military.com Study Reveals Profound Disconnect between Employers and Transitioning Military Personnel," November 5, 2007: <http://www.military.com/aboutus/twocolumn/0,15929,PRarticle110507,00.html>.

<sup>iii</sup>Abt. Associates, Inc. "Employment Histories Report, Final Compilation Report," March 24, 2008: [http://www1.va.gov/vetdata/docs/Employment\\_History\\_080324.pdf](http://www1.va.gov/vetdata/docs/Employment_History_080324.pdf).

ment—15 weeks or more. This represents more than 45 percent of all unemployed new veterans in 2009.

*“First interview question was ‘Are you going to be hired and then have to leave again?’”—IAVA vet*

Employers are growing increasingly wary of hiring or reemploying National Guardsmen and Reservists because of their unprecedented mobilization rates. Tens of thousands of reservists returning from combat are not being promptly reemployed or when reemployed they are not receiving the pay, pensions, health care coverage, and other benefits they are entitled to. More than 40 percent of Guardsmen and Reservists lose income when they are mobilized.<sup>iv</sup> Self-employed reservists are suffering 55 percent earnings losses when they are activated.

## **II. Existing Programs**

Federal veterans’ employment services can be categorized into one of three types of programs: job training, job placement and job protection. A proper balance of attention and resources must be dedicated to each category to ensure our Nation’s veterans can successfully return to work.

### **A. Job Training Programs**

#### **GI Bill Benefits**

*“After approximately 30 interviews and temporary positions I chose to attend school under the new GI Bill.”—IAVA Vet*

The new GI Bill is the greatest investment in veterans and their families since World War II and it couldn’t have come at a better time. Veterans, facing tough economic times and high unemployment numbers, are flocking to universities across the Nation, making themselves more marketable on the job front. The Post-9/11 GI Bill has enabled over 230,000 students<sup>v</sup> to attend first-rate colleges and universities.

*“This was a huge disappointment to me when I found out my schooling was not covered under the new GI Bill . . . I am a mechanic by vocation, there are no 4-year degree programs for people like me.”—IAVA Vet*

Unfortunately, a significant number of veterans have been short-changed under the new GI Bill. Apprenticeships, On-the-Job-Training and vocational programs are excluded from the new GI Bill. IAVA believes the Post-9/11 GI Bill should be extended to veterans enrolled in these highly beneficial programs.

Non-degree granting schools, or vocational schools, are specifically excluded from the new GI Bill and no provision was made for Apprenticeship and On-the-Job-Training (OJT) programs. Both types of programs were covered under the old GI Bill. Oddly, a veteran can still use their new GI Bill to obtain a vocational certificate just not at a vocational school.

Veterans pursuing vocational training should not be penalized for going to a strictly vocational school. The WWII GI Bill sent over 8 million veterans to school. More than half of those veterans were not seeking a college degree; they participated in some type of vocational training program. Unfortunately, nearly 16,000 modern veterans pursuing vocational training will not be able to access the new GI Bill.

#### **Vocational Rehabilitation and Employment Services (Voc-Rehab)**

The Voc-Rehab program offers individual rehabilitation programs for disabled veterans with an emphasis on employment counseling and services, as well as assistance finding a job. For severely disabled veterans, unable to return to work, the program gives them the tools to live as independently as possible. Participants who complete the rehabilitation earn on average six times what they did before the pro-

<sup>iv</sup> “41 percent of drilling unit members reported income loss [when mobilized for a contingency operation].” GAO-03-573T, “Military Personnel: Preliminary Observations Related to Income, Benefits, and Employer Support for Reservists During Mobilization.” March 19, 2003: <http://www.gao.gov/new.items/d03549t.pdf>.

<sup>v</sup> Spring 2010 GI Bill Benefit Processing, <http://gibill.va.gov/spring2010.htm>

gram.<sup>vi</sup> Over 110,000 veterans participated in FY 2009<sup>vii</sup>; double the number of veterans who participated in FY 2003.

Unfortunately, only a small percentage of veterans who enroll in Voc-Rehab successfully complete the program.<sup>viii</sup> And according to a 2004 VA Voc-Rehab Task Force, the type and timeliness of its employment services are “out of sync” with the 21st century labor market and attitudes towards persons with disabilities.<sup>ix</sup> For example, to use Voc-Rehab to pay for college, veterans must convince Voc-Rehab counselors that they are actually smart enough to succeed at the college of their choice. We have heard countless anecdotal stories where this process has pitted a disabled veteran against their counselor when the veteran wants to challenge themselves at a tougher school.

We believe that by breaking down the bureaucratic wall between the new GI Bill and vocational rehabilitation and by allowing service-disabled veterans the option to use their GI Bill benefits and vocational rehabilitation services concurrently, disabled veterans will have access to quality rehabilitative services without the hassle of proving their mental acuity.

#### **Transition Assistance Program/Disabled Transition Assistance Programs (TAP & DTAP)**

Servicemembers approaching separation can take advantage of the Transition Assistance Program (TAP), which provides employment and training information as well as a variety of counseling programs. The Departments of Defense, Veterans Affairs, Transportation, and Labor partner to conduct the 3-day workshops where servicemembers learn interview skills, tips for job searches, and how to prepare civilian resumes and cover letters. The program has shown some effectiveness; servicemembers who participate in TAP find their first post-military job 3 weeks faster, according to DOL.<sup>x</sup>

Regrettably, utilization of TAP is low. The Marine Corps is the only branch of service that requires its members to sign up for TAP briefings but attendance is still not mandatory. The DoD has established a goal of 85 percent participation across the services,<sup>xi</sup> yet only 60–65 percent of all separating active-duty servicemembers attend the TAP employment seminars.<sup>xii</sup> In the National Guard and Reserves, the usage rates are even lower: only 30 percent of all separating Reservists or National Guardsmen attend some portion of TAP.<sup>xiii</sup> In addition, all aspects of TAP are not always available and the time constraints of troops’ demobilization process can also make attending a TAP session difficult, if it is available at all.<sup>xiv</sup> To encourage greater participation, the DoD launched TurboTap.org in 2007. The Defense Department Web site allows active-duty and reserve servicemembers access to transition resources on their own time, including information on military and VA benefits and employment assistance.

<sup>vi</sup> Department of Veterans Affairs, Office of Policy and Planning, “Women Veterans: Past, Present and Future,” September 2007, p. 19–20: [http://www1.va.gov/womenvet/docs/WomenVet\\_History.pdf](http://www1.va.gov/womenvet/docs/WomenVet_History.pdf).

<sup>vii</sup> Department of Veterans Affairs, Annual Benefits Report FY 2009, (Page 67), [http://www.vba.va.gov/REPORTS/abr/2009\\_abr.pdf](http://www.vba.va.gov/REPORTS/abr/2009_abr.pdf)

<sup>viii</sup> “Despite the tens of thousands of VR&E program participants in a given year, the number of veterans rehabilitated by obtaining a job or achieving independent living goals averages only about 10,000 a year.” VA Vocational Rehabilitation and Employment Task Force, “Report to the Secretary of Veterans Affairs: The Vocational Rehabilitation and Employment Program for the 21st Century Veteran,” 2004, p. 4: [http://www1.va.gov/op3/docs/VRE\\_Report.pdf](http://www1.va.gov/op3/docs/VRE_Report.pdf).

<sup>ix</sup> Ibid., at 5.

<sup>x</sup> Gerry Gilmore, “Pentagon Improves Services for Transitioning Servicemembers, Families,” *American Forces Press Service*, May 19, 2008: <http://www.defenselink.mil/news/newsarticle.aspx?id=49927>.

<sup>xi</sup> Joseph C. Sharpe, Jr., Deputy Director of the American Legion National Economic Commission, Testimony before the United States House of Representatives Committee on Veterans’ Affairs, “U.S. Department of Veterans Affairs/U.S. Department of Defense Cooperation in Reintegration of National Guard and Reserve,” June 24, 2008: <http://veterans.house.gov/hearings/Testimony.aspx?TID=32446&Newsid=260&Name=%20Joseph%20C.%20Sharpe,%20Jr>.

<sup>xii</sup> Ibid.

<sup>xiii</sup> Women Veterans in Transition Pilot Research Study by Business and Professional Women’s Foundation, “Building Strong Programs and Policies to Support Women Veterans,” p. 2: <http://www.bpwsa.org/i4a/pages/index.cfm?pageid=5383>.

<sup>xiv</sup> Department of Labor, “Employment Situation of Veterans: 2007,” April 10, 2008, p. 3: <http://www.bls.gov/news.release/pdf/vet.pdf>.

*“Once I learned how to translate my skills into civilian-speak, I found I was in high demand and very competitive for several good positions.”—IAVA Vet*

While IAVA is happy to see that the President’s budget request for FY 2011 is asking for a 14 percent increase in funding for TAP trainings, we believe that we must modernize TAP and universally require the civilian employment training to ensure every separating veteran has the skills they need to secure meaningful employment. There is no commonly accepted translation of military certifications, training and experience to their civilian counterparts. For example, Navy Corpsmen and Army medics are performing difficult medical procedures under unimaginable conditions but they do not qualify for employment in a similar medical field once they transition to the civilian world. To improve the TAP courses a study should be commissioned that will report recommendations to Congress on the differences between DoD and civilian vocational certifications and licenses to ease the transition of certifications into the civilian world.

### **B. Job Placement**

#### **Tax Credits**

The American Recovery and Reinvestment Act, commonly known as the “Stimulus bill,” authorized a 2 year tax credit for employers who hire unemployed Iraq and Afghanistan-era veterans. This tax credit of up to \$2,400 per unemployed veteran was created to incentivize employers to hire veterans who were taking the brunt of the unemployment blight.

*“Many employers say they ‘value Veterans’, but sometimes it’s just about the bottom line. Providing monetary or tax incentives may make employers think more about employing Veterans”—IAVA Vet*

IAVA and many other veterans organizations lauded this tax credit when it passed. We believe that this tax credit should be extended indefinitely. Given the current state of the economy and the fact the other groups, such as ex-felons, are permanently eligible for the same tax credit it is the right thing to do.

*“My employer knew nothing about tax benefit for hiring disabled vet until after I was hired.”—IAVA Vet*

The unemployed veteran tax credit is accompanied by a permanent tax credit for the hiring of disabled veterans, worth up to \$4,800 per disabled veteran. However, the VA and the Department of Labor VETS program have done a poor job advertising either of these tax credits to potential employers and job seeking veterans. A tax credit designed to spur the hiring of veterans that no one knows about is ineffective and can lead to frustration and misunderstanding between veterans and the business community. IAVA believes that there needs to be a coordinated outreach effort by the VA and Department of Labor to educate employers and veterans about this helpful benefit.

#### **Department of Labor Veterans’ Employment and Training Services**

Low-income, homeless, or disabled veterans can turn to the Department of Labor’s Veterans’ Employment and Training Service (VETS). The VETS program provides grants to State and local agencies to provide services, such as training, licensing and certification, one-on-one employment counseling, and support services. These programs helped over 850,000 veterans last year.<sup>xv</sup> Other grants fund representatives to work with employers and human resources personnel to increase employment opportunities for veterans.

*“New York State has a good department of labor in helping vet’s find jobs”  
—IAVA Vet*

IAVA is concerned that while the President’s request for the VETS budget contains a modest increase in funding (2.4%), none of this increase will be spent on improving or expanding veterans job placement programs. We are also concerned that some VETS programs may not be correctly measuring or reporting their effective-

<sup>xv</sup> U.S. Department of Labor, “Budget in Brief FY 2011”, page 76, <http://www.dol.gov/dol/budget/2011/PDF/bib.pdf>.

ness as reported by the Government Accountability Office.<sup>xvi</sup> In some States, VETS programs are either understaffed or splitting their time between serving veterans and nonveterans. IAVA concurs with this Committee's minority views and believes the DOL VETS program should have their funding increased by an additional \$7.3 million.<sup>xvii</sup> This funding would be used to train veteran employment specialists and improve Federal oversight of these programs.

#### **Federal Hiring: Veterans Preference**

The Federal Government hires three times the percentage of veterans as the private sector<sup>xviii</sup> and therefore plays a critical role in combating veterans' unemployment. Last November President Obama issued an executive order outlining the Veterans Employment Initiative.<sup>xix</sup> This order required enhanced recruitment and promotion of employment opportunities for veterans within the Federal Government and established a Council on Veterans Employment. The Federal Government has already stood up a Web site, [www.fedshirevets.gov](http://www.fedshirevets.gov) and released a strategic plan to implement this goal of increasing the number of veterans working in the Federal Government.

*"I searched usajobs.gov, submitted applications but never heard from them. I guess there is a magic way to write your job description."—IAVA Vet*

IAVA is highly encouraged to see the speed and thoroughness of this Council in addressing these employment issues. We believe that their Web site is well organized and extremely helpful to job seeking veterans. However, it still lacks a clear explanation of what the 5 or 10 point veteran preference actually means in terms of the Federal hiring process and the job bank is just a link to [usajobs.gov](http://usajobs.gov). The Council's strategic plan lays out a clear and ambitious set of goals and we believe that it will take both the Executive and Legislative branch working together to ensure that these goals are implemented all the way down to the GS-11 Human Resources Specialist responsible for hiring the veterans in each agency.

#### **Federal Contracting**

*"I ended up getting a job with a company that is contracted out by the government and is unionized. So everyone is understandable and supports my actions with the military."—IAVA Vet*

The Federal Government is the world's largest buyer of goods and services, with purchases totaling over \$425 billion each year.<sup>xx</sup> With this level of spending the Federal Government can leverage its purchasing power to require potential contractors to increase veterans hiring. Current Federal law mandates Federal contracts over \$100,000 "take affirmative action to employ" veterans.<sup>xxi</sup> These contractors are required to publish job openings with the State job banks and to annually report the number of veterans they have retained by submitting a VETS-100 form to the Department of Labor. These contractors are also prohibited from discriminating against veterans.

Unfortunately, the data collected from VETS-100 forms is aggregated and only partially published in the DOL VETS annual report. IAVA believes that these forms should be publically reported, allowing interested parties to review whether contractors are actually following through on these contracting mandates. The hope is that the public disclosure of these forms will create a healthy competition between contractors on which contractor hired more veterans. IAVA would love to see Boeing and Lockheed Martin making these statistics part of their bids for the next big defense contract.

Failure to comply with established contracting requirements can lead to the suspension or disbarment of that contractor from receiving future contracts. IAVA be-

<sup>xvi</sup> GAO-07-594, "Veterans' Employment and Training Service: Labor Could Improve Information on Reemployment Services, Outcomes, and Program Impact," May 2007: <http://www.gao.gov/new.items/d07594.pdf>.

<sup>xvii</sup> House of Veterans Affairs Committee Minority, Views and Estimates for FY 2011, page 9, <http://republicans.veterans.house.gov/documents/FY2011RepublicanVandE.pdf>.

<sup>xviii</sup> Office of Personal Management, "The Governmentwide Veterans' Recruitment and Employment Strategic Plan for FY 2010-FY 2012," page 2, [http://www.fedshirevets.gov/pdf/Vets\\_Initiative\\_Strategic\\_Plan.pdf](http://www.fedshirevets.gov/pdf/Vets_Initiative_Strategic_Plan.pdf).

<sup>xix</sup> Executive Order, President Obama, November 9th, 2009, <http://www.whitehouse.gov/the-press-office/2009/11/09/executive-order-veterans-employment-initiative>.

<sup>xx</sup> <http://www.sba.gov/contractingopportunities/index.html>.

<sup>xxi</sup> 38 U.S.C. 4212.



believes violations of USERRA protections should also be included as grounds for suspension or disbarment.

Finally, IAVA was troubled to learn the Troubled Asset Relief Program (TARP), authorizing up to \$770 billion to bailout banks, exempted banks receiving Federal bailouts from veterans hiring requirements, while protections for minorities, women and disabled individuals were still included. IAVA believes that TARP should be amended to force compliance with veterans' preference rules and that all future stimulus programs should not overlook veterans hiring preferences.

### **Small Business Help**

Many veterans have chosen self-employment over unemployment by starting their own small business ventures. Veterans represent 14.5 percent of small business owners nationally.<sup>xxii</sup> For reservist and veteran business owners looking for technical or financial assistance, support is available through the Small Business Administration (SBA) and the Department of Veterans Affairs.

Last year, the SBA assisted more than 180,000 veterans, reservists, active servicemembers and spouses through its entrepreneurial counseling and training services.<sup>xxiii</sup> The agency offers low-interest capital through the new Patriot Express Pilot Loan program. The SBA Office of Veterans Business Development also operates five veteran-specific business outreach centers and provides Federal contracting assistance to veterans, although it has relatively limited resources to do so.

In addition, the SBA has teamed up with the VA and the International Franchise Association to create the Veterans Transition Franchise Initiative, which offers 30 percent off franchising fees for veterans.

Veterans can also turn to the VA's Center for Veterans Enterprise (CVE) for assistance with starting or expanding their businesses. However, since this Committee recently held a hearing on this particular issue we would like to associate our comments with the testimony of Joe Sharpe, from the American Legion when he concluded, "The implementation of CVE is small and does not necessarily provide the right assistance to veterans. The Vetbiz.gov Web site is not easily navigated and needs to become a more user-friendly Web site."

*"During my deployment I had to totally shutter the doors on my construction business. It put my family in a very difficult position"—IAVA Vet*

IAVA believes that the VA must work to mitigate the effect of frequent and lengthy deployments by providing small businesses owners in the National Guard and Reserves with additional access to capital, insurance, and bonding via the VA's Center for Veterans Enterprise. The Center for Veterans Enterprise should receive appropriate funding and resources to achieve this goal.

### **Other**

We would be remiss to omit several other veterans' jobs programs that exist such as [www.vetsuccess.gov](http://www.vetsuccess.gov), [www.warriorgateway.org](http://www.warriorgateway.org) and Helmets to Hardhats. The VA has extensively briefed IAVA on their new job search Web site for veterans and more specifically disabled veterans. We applaud the VA for reaching out to potential employers and recruiting them to participate. However, we believe that [vetsuccess.gov](http://vetsuccess.gov) should be integrated with [www.fedshirevets.gov](http://www.fedshirevets.gov) and expanded for all veterans creating a single jobs for veterans portal. Warrior Gateway was created by the Business Executives for National Security at the request of the Chairman of the Joint Chiefs of Staff Admiral Mike Mullen to assist OIF and OEF veterans navigate the government agencies and non-profits serving veterans. Helmets to Hardhats is a Department of Defense funded initiative to place separating servicemembers in skilled labor positions and we have heard very good feedback from our members about this program.

### **C. Job Protections**

#### **USERRA**

Although National Guardsmen and Reservists are legally protected under the Uniformed Services Employment and Reemployment Rights Act (USERRA), many troops still experience employment discrimination because of their military service.

<sup>xxii</sup> **Characteristics of Veteran Business Owners and Veteran-owned Businesses** Chapter 5 of The Small Business Economy for Data Year 2006, A Report to the President, [http://www.sba.gov/advo/research/sbe\\_07\\_ch5.pdf](http://www.sba.gov/advo/research/sbe_07_ch5.pdf).

<sup>xxiii</sup> Small Business Administration, FY 2009 Performance Report, page 66, [http://www.sba.gov/idc/groups/public/documents/sba\\_homepage/fy\\_2011\\_cbj\\_09\\_apr.pdf](http://www.sba.gov/idc/groups/public/documents/sba_homepage/fy_2011_cbj_09_apr.pdf).

*"I can offer no quotes, smoking guns, or neon signs stating that 'reservists' need not apply, but I have heard the tone of an interviewer become cold the instant the 'reserves' comes up in the conversation."—IAVA Vet*

Among National Guardsmen and Reservists who have served since September 11, 2001, "Nearly 11,000 were denied prompt reemployment;"<sup>xxiv</sup> "More than 22,000 lost seniority and thus pay and other benefits;"<sup>xxv</sup> "Nearly 20,000 saw their pensions cut;"<sup>xxvi</sup> and "Nearly 11,000 didn't get their health insurance back."<sup>xxvii</sup>

The Employer Support of the Guard and Reserve (ESGR) is the single best resource for educating employers and veterans on USERRA rights and for resolving USERRA issues quickly and informally. However, the President's budget request for FY 2011 plans to slash the ESGR budget by nearly 17 percent, this will effectively cripple this great asset. These cuts could not have come at a worse time with the rising number of USERRA violations and the fact that of the tens of thousands of reserve component troops who have suffered this discrimination, approximately three-quarters of them do not seek assistance.<sup>32</sup>

A common reason veterans are not seeking help is the lack of familiarity with USERRA protections and obligations. Twenty-eight percent of reservists report not receiving information on USERRA/reemployment rights during activation or deactivation.<sup>33</sup> More than a third of employers surveyed by Military.com were unaware that USERRA regulations required them to give a returning veteran the same or an equivalent job.<sup>34</sup> IAVA believes that the ESGR must be fully funded, not cut by 17 percent in FY 2011. We also believe that DoD should implement an extensive notification program for servicemembers' employers specifically informing them of their USERRA obligations.

*"Even though I was hired back right away I lost 3 years of raises and my company doesn't trust me because they are scared I will be deployed again"—IAVA Vet*

We believe that USERRA must be modernized and strengthened to handle the historic levels of deployments of the National Guard and Reserves. We believe this can be done by:

- Creating civil and criminal penalties for employers who knowingly violate USERRA protections;
- Granting servicemembers their day in court, as intended by the original USERRA statute by making USERRA complaints exempt from predispute binding arbitration agreements;
- Preventing employers from firing an employee while a USERRA claim is being processed, by requiring courts hearing USERRA complaints to utilize their full range of legal powers, including injunctions when appropriate; and
- Protect Reservists and Guardsmen from termination, loss of seniority and loss of sick and vacation time from their civilian jobs while they receive DoD medical treatment for injuries the servicemember sustained in the uniformed services.

USERRA compliance is also not uniform across the board. Some Federal and State employees do not enjoy the same level of protection under USERRA as employees in the private sector. Astonishingly, National Guardsmen and Reservists serving in domestic disaster response situations are not eligible for USERRA protections at all. IAVA recommends extending USERRA protections to National Guardsmen, Reservists, and to servicemembers working in domestic response operations such as hurricane or wildfire missions and holding Federal and State governments to the same standards of USERRA compliance as private sector employers.

#### **Department of Labor VETS**

Mobilizations have put a strain on businesses, and especially small businesses, that employ reservists.<sup>52</sup> Employers often struggle to maintain their workforce and keep their businesses afloat while their reservist employees are called up for multiple tours, often with little notice and without a clearly-defined length of absence. For some businesses, the cost to train their replacements can be steep. According to Dave Miller, vice president of a national trucking firm with approximately 50 em-

<sup>xxiv</sup> United States Senate Health, Education, Labor and Pensions Committee, "Kennedy Holds Hearing on Veterans' Employment Issues," November 8, 2007: [http://help.senate.gov/Maj\\_press/2007\\_11\\_08\\_b.pdf](http://help.senate.gov/Maj_press/2007_11_08_b.pdf).

<sup>xxv</sup> Ibid.

<sup>xxvi</sup> Ibid.

<sup>xxvii</sup> Ibid.

ployees deployed, the company is spending up to \$100,000 to train each replacement.<sup>53</sup>

IAVA recommends offering tax credits for employers who, when their reserve component employees are called to active-duty for over 90 days, continue to support their employees by paying the difference between the servicemembers' civilian salary and their military wages. Furthermore, tax credits should be provided to businesses that provide additional training for returning Reservists and National Guard members to bring them up to same level of training as their non-veteran peers.

---

**Prepared Statement of Richard Daley, Associate Legislation Director,  
Paralyzed Veterans of America**

Chairwoman Herseth Sandlin, Ranking Member Boozman, and Members of the Subcommittee, PVA would like to thank you for the opportunity to testify today concerning the status of veterans' employment. The Global War on Terror has produced a large number of men and women that have served the country and have returned to civilian life. Paralyzed Veterans of America would like to thank Congress and this Subcommittee for helping to make this transition successful.

At a time when our Nation faces record unemployment, the veterans' community has been hit especially hard, with unemployment rates among today's veterans eclipsing the national average by more than 2 percent. Our veterans have made tremendous sacrifices for our Nation, which is why our leaders must make a concerted effort to ensure that veterans have access to education, employment, and training opportunities to ensure success in an unfavorable civilian job market.

**EMPLOYMENT DISINCENTIVES**

Employment policy is vital to veterans and veterans with disabilities in today's environment where work is critical to independence and self-sufficiency. Many veterans who serve this country honorably and are discharged in good health later acquire significant disabilities. A veteran that has sustained a catastrophic non-service connected injury is identified in the VA medical care system as a Priority Group 4 veteran for purposes of receiving health care from the VA. If that veteran has the appropriate work credits under Social Security, they will likely qualify for Social Security Disability Insurance (SSDI). New SSDI beneficiaries will also qualify for Medicare after the initial 24 month waiting period. If these veterans' income is low enough, they will qualify for VA pension. Each of these programs, however, contain within them considerable work disincentives.

For the non-service connected veteran on SSDI, he or she can attempt a return to work and will continue to receive SSA disability benefits for a 9 month trial work period. Beyond that trial work period is a 36 month extended period of eligibility in which they will continue to get a Social Security disability check only in those months when the veteran's income falls below SSA's "substantial gainful activity" (SGA) level. Should the veteran continue to earn above SGA, they will lose the SSDI cash benefits, but will retain access to Medicare for 93 months. However, if the veteran's work effort proves unsuccessful and they are separated from employment within 60 months of SSDI benefit termination, they can use SSA's expedited reentry process. This allows SSDI beneficiaries the ability to go back on the rolls without reapplying for benefits. If, however, the veteran on SSDI has been off benefits longer than 60 months, he or she would be required to go through the SSDI application process all over again.

Not surprisingly, these Social Security work incentives are complicated and cause considerable anxiety on the part of SSDI recipients who would like to go to work. PVA has long supported proposals for improving work incentives within the SSDI program that would address some of the dilemmas faced by beneficiaries who wish to enhance their economic self-sufficiency. Two such reforms are removal of the SSDI "cash cliff" and continued attachment to the disability benefits system.

As noted above, once someone on SSDI reaches SGA, their disability benefits are completely cut off causing an abrupt decline in income. This discourages many individuals on SSDI from trying to work. Establishing a \$1 for \$2 earnings offset in Title II to parallel the provisions in the Title XVI Supplemental Security Income (SSI) program would eliminate the "cash cliff." SSDI beneficiaries who are able to work and help ensure that individuals are financially better off by earning than by not earning.

Many SSDI beneficiaries, including veterans fear working to their full potential because it might cause a permanent loss of cash and/or medical benefits. This is a particular concern for beneficiaries who have relapsing/remitting conditions such as

mental illness or many chronic illnesses, need accommodations that may be available in one employment setting, but difficult to obtain in the future. PVA believes that these Social Security disability beneficiaries should have a “continued attachment” to the programs as long as their impairments last, even if they do not receive cash benefits because of their work earnings.

The Veterans Pension Program is often likened to Supplemental Security Income under Social Security. However, unlike SSI, VA pensioners face a “cash cliff,” in which benefits are terminated once an individual crosses an established earnings limit. Because of a modest work record, many of these veterans or their surviving spouses may receive a small Social Security Disability Insurance benefit that supplements their VA pension. If these individuals attempt to return to the workforce, however, not only will their SSDI benefit be terminated, but their VA pension benefits will be reduced, dollar for dollar, by their earnings.

More than 20 years ago under Public Law 98-543, Congress authorized VA to undertake a 4-year pilot program of vocational training for veterans awarded a VA pension. Modeled on the Social Security Administration’s trial work period, veterans in the pilot were allowed to retain eligibility for pension up to 12 months after obtaining employment. In addition, they remained eligible for VA health care up to 3 years after their pension terminated because of employment. Running from 1985 to 1989, this pilot program achieved some modest success. However, it was discontinued because prior to VA eligibility reform, most catastrophically disabled veterans were reluctant to risk their access to VA health care by working.

The VA Office of Policy, Planning and Preparedness examined the VA pension program in 2002 and 7 percent of unemployed veterans on pension and 9 percent of veteran spouses on pension cited the dollar-for-dollar reduction in VA pension benefits as a disincentive to work. Now that veterans with catastrophic non-service connected disabilities retain access to VA health care, work incentives for the VA pension program should be reexamined and policies toward earnings should be changed to parallel those in the SSI program. Work disincentives in the Veterans Pension Program should be reexamined and consideration given to changes that would parallel Social Security work incentives such as a trial work period and reduction in benefits as earned income rises.

#### **CENTER FOR VETERANS ENTERPRISE**

In a recent hearing this Subcommittee addressed the role of the Center for Veterans Enterprise (CVE) with assisting veteran owned small businesses. This program was created to serve the veteran owned small business and the service-disabled veteran owned small business as they attempt to contract business with the Federal Government. The Subcommittee was informed of problems that veterans have encountered when seeking assistance from this program.

Perhaps a vacancy in the leadership position of the Department of Veterans’ Affairs, Office of Small and Disadvantaged Business Utilization (OSDBU), which is responsible for this program, can account for the lack of communication with participating veterans and the lack of assistance to veterans from the CVE. At that hearing the Subcommittee was informed that the complaints directed toward that program are being addressed. The new Executive Director of the OSDBU is aware of the problems with the program and is committed to make improvements to enhance their assistance to veteran owned small businesses.

At that hearing several VSOs testified that they believe CVE needs dedicated funding within the VA budget to better address their increasing responsibilities. With its new dedicated leadership and with adequate, dedicated funding in the future, CVE will be able to direct their efforts toward helping small veteran owned businesses. This can only have a positive effect on the issue of employment for veterans, since we know that veterans often hire other veterans when possible.

#### **DISABLED VETERANS OUTREACH PROGRAM AND LOCAL VETERANS EMPLOYMENT REPRESENTATIVES**

Another issue of concern for PVA and some VSOs is the lack of results the Federal Government receives for the employment efforts for veterans from the Disabled Veterans Outreach Programs (DVOP) and the Local Veterans Employment Representative (LVER) programs. These programs are the responsibility of the Department of Labor, Veterans Employment and Training Service (VETS) program that created these positions to fulfill their role as required by law. DOL’s primary responsibility is to fund and monitor these programs.

These positions are funded by grants to the States from the budget of the VETS program. There is insufficient accountability for the approximate \$168 million that is distributed to States for the DVOP and LVER positions. These positions report to the local State employment office manager who determines their work activities.

The issue of unemployed veterans may not be a high priority for a State office. Often the DVOP and LVER positions are lower paying positions within the State employment system and often considered a position to begin employment within the State system. Currently some States facing budget problems have a hiring freeze for new employees. The DVOP and LVER positions will continue to be filled since these positions are federally funded. Whenever a higher paying position becomes available within the State or civilian work environment, the DVOP or LVER leaves for more money and this contributes to the high turnover rate. These professional positions should not be a temporary job where the employment specialists start their careers.

DVOP and LVERS require an understanding of the workplace environment and how a veteran or veteran with a disability can contribute to the workplace. This role as an advocate for veterans and disabled veterans is critical for those who are returning to employment after several years away or looking for their first non-military job. DVOP and LVERs primary mission should be getting the man or woman who has served their country back into the workforce. Achieving this mission is made more difficult, if not impossible, if the veterans employment representatives must function with limited goals, lack of travel funds, or restricting policies of the local State employment office.

DOL tracks a states performance by the number of registered persons entering the workplace. They also track the number of veterans among those registered with this information collected by the DVOP and LVER program. DOL does not track the number of veterans that gained employment solely as a result of assistance veterans received from a State's employment programs. In many employment situations these programs have limited input into the veteran's employment and often they have no input at all. When the veteran becomes employed, even in situations of under-employment, this is registered as a positive result of the States efforts.

If these positions were made Federal positions under the Veterans Employment and Training Service the salaries could be increased and the training improved and expanded. As it stands, Congress may be hesitant to increase the funding of programs such as the DVOPs and LVERS that have very limited evidence of their effectiveness.

Perhaps DOL could conduct a pilot program in several States to follow up with the veteran after they leave the unemployment roles. Although this may be a labor intensive exercise, it may help determine if the States' efforts are producing the results that are intended for veterans. Such a pilot could answer several important questions. Has a veteran found employment or has their unemployment benefit expired, in which case they are no longer counted? Is the veteran "underemployed," making minimum wage to survive? Did their State employment office, including the efforts of the DVOP or LVER, have any input in securing that job for the veteran?

The Government Accountability Office (GAO) has never examined the states performance of these programs of helping veterans find employment. Congress should ask the GAO to report on the effectiveness of this Federal funding.

#### **PVA'S EMPLOYMENT PROGRAM**

Paralyzed Veterans of America has successfully placed veterans in employment using our new Vocational Rehabilitation Employment Program. Beginning less than 3 years ago in Richmond, Virginia, it has expanded to Minneapolis-St Paul, Long Beach, California and San Antonio, Texas. This year the program will continue to grow as PVA opens an office in Boston, Massachusetts and Augusta, Georgia. Each location functions in the VA hospital and is privately funded by a partner from the business community.

Placing paraplegic or quadriplegic individuals into employment is a difficult task. The placement rate for these individuals is low. It is much easier for voc rehab counselors and employment placement personnel to find employment for less disabled individuals. In most State, Federal, and nonprofit environments these dedicated individuals are evaluated not by the difficulty of an employment placement, but by the number of persons placed. In this system it is easy for the severely disabled individuals to be overlooked.

Using experienced placement counselors that understand the challenge and have knowledge of the workplace, PVA's program is finding careers for these individuals. Recently PVA's placement counselor in Richmond, Virginia told me that through his networking in the business world, he has located positions for disabled veteran throughout the Nation. He also explained that most corporations want to hire veterans, but cannot dedicate the time to specifically look for veterans. PVA's experienced employment counselors must be active in the community, must be knowledgeable of State, Federal, and local government employment opportunities and on occa-

sion travel to corporate headquarters in other States throughout that region to explain the value of hiring a disabled veteran.

#### **SERVICEMEMBERS OCCUPATIONAL CONVERSION AND TRAINING**

To address the needs of today's veterans, Congress might consider reimplementing a program similar to the Servicemembers Occupational Conversion and Training, (SMOCTA) program. Although this program was funded by the Department of Defense, it was administered by the VA and the DOL. This was considered one of the better programs to serve transitioning military personnel. SMOCTA was established during the downsizing of the military for veterans discharged after August 1, 1990, to help those veterans that had limited transferable job skills. A similar program would help many of the younger men and women transitioning from the military today, and those Reserve and Guard members reentering the workforce following deployment.

This program provided assistance in the form of reimbursements to employers who provided job training for veterans that required new skills necessary for permanent employment with that employer. The program also included funds for assessments, development of training plans, and supportive services for the trainee. The DVOP and LVER staff was responsible for development of the employment and training plans. Veterans eligible for assistance were those with military occupations that were not transferable; those that were unemployed for a long period of time; and those with a 30 percent or greater service-connected disability.

Critics of this program have expressed concern that employers will participate in this program primarily to receive this funding to supplement their payroll. In these situations when the funding ends, the veteran's employment would be terminated. This would be another example of the potential value of the DVOPs and LVERs who would monitor these employment training positions. These employment professionals should be familiar with employer's needs and the nature of the training. Their involvement in this program would be the determining factor in the value of and the sincerity of the employers training program.

Madam Chair, Ranking Member Boozman, Paralyzed Veterans of America would like to thank you for this hearing to discuss the issue of veterans employment. We thank you for the opportunity to share our concerns on this issue and will continue to work with you to address this problem. That concludes my testimony and I would be happy to answer any questions you may have.

---

#### **Prepared Statement of Justin Brown, Legislative Associate, National Legislative Service, Veterans of Foreign Wars of the United States**

##### **MADAM CHAIRWOMAN AND MEMBERS OF THIS COMMITTEE:**

On behalf of the 2.1 million members of the Veterans of Foreign Wars of the United States and our Auxiliaries, the VFW would like to thank this Committee for the opportunity to present its views on this very important topic.

The VFW believes one unemployed veteran is one too many. In these tough economic times, the number of unemployed veterans has skyrocketed to more than one million, with nearly one in three of our youngest veterans being unemployed. The remarkable young men and women who put their lives on the line for our Nation deserve better. Congress needs to invest in the future of those who have invested in America by providing them with the training, skills, and the opportunities for a chance at the American dream. For this reason, the VFW calls on Congress to create a veterans' jobs bill immediately.

Further, we recognize that Congress alone cannot solve this epidemic of unemployment among our Nation's veterans. We urge Congress to encourage America to do her part for these veterans and help put them back to work. As with other important issues, Congress has convened round tables to explore solutions. We need corporate America, union groups, governmental agencies, lawmakers, and both veterans' groups and unemployed veterans to come together for a roundtable to explore solutions to get America's veterans in the front of the employment line!

The VFW calls on American businesses to hire Veterans First! The values of American veterans are the same values that drive businesses toward success. Former servicemembers know how to work as a member of a team to creatively solve problems. They are trained to lead and know how to perform in unforgiving situations. They realize the repercussions of their conduct and understand that decisions have an impact on their organization. Veterans are punctual, dress professionally at all times, lead healthy lifestyles, and are extremely trustworthy and motivated self-starters. Many veterans are very technologically savvy, and are pro-

ficient in the use of computers. The battlefield of today requires a ‘grunt’ to do much more than just point and shoot. They are civic minded, willing to go the extra mile, and are committed loyal employees. We ask Congress to help us market the value of American veterans to corporate America.

Our servicemembers are coming home from Iraq and Afghanistan in many instances injured, and fighting to find a job, market their skills, and convince employers of the value of their military service. These men and women are the most upstanding, hardworking and patriotic people our country has to offer. Many of these veterans have never even had a job aside from their military service, and therefore, they do not know how to market themselves for open positions. The Department of Defense (DoD) utilizes “military values” and the “prospects of careers” to recruit. The Department of Labor (DOL) can and should do more to sell the value of veterans to corporate America.

According to the Pentagon, 75 percent of today’s high school graduates are unsuitable for military recruitment due to aptitude, health or physical conditioning. That leaves a 25-percent pool who are also heavily recruited by industry, colleges and universities. Those who volunteer to serve our Nation in uniform are already the cream of the crop. Their time in uniform makes them better—more mature, more decisive, and more team and goal-oriented. Their selfless service to country earns them a place at the front of the line.

We are all too familiar with the marketing campaign launched by each branch of the military to attract talented young Americans to serve their country. The same commercials that attract young people to slay dragons, become one-person armies, and be a force for good should also be used to create ideal candidates for American industry and business.

We ask Congress to authorize and fund a marketing campaign within DOL, selling the value and virtues of hiring America’s veterans. This should, at minimum, include public service announcements, television, print and internet based mediums combined with outreach to local chambers of commerce, unions, and job fairs organized by members of Congress. The young soldier, Marine, and others who serve our country pay the price for our government’s failure to push Veterans First. Some have been through a living hell and now just want an opportunity at the American dream.

Currently, when a servicemember returns home they tend to rely heavily on internet job boards. A young veteran can quickly get discouraged with the plethora of impersonal online resources available. This is not to say that a great deal of these programs lack merit. Many of them do great work to include, Vetjobs; however, not all “veterans” job boards place the best interests of veterans in mind. A veteran would benefit greatly with some direction, assistance, and a person that cares to help them locate meaningful employment.

One thing that is important to remember is that many of these veterans lack the professional and personal networks that benefit many civilians in searching for employment. A servicemember, after separation, may be returning to a home they left years ago. This lack of networks is what quickly turns a veteran’s job search into an impersonal, often inefficient, and endlessly frustrating experience.

Local DVOPs and LVERs may or may not be effective in assisting these veterans seeking employment; their effectiveness varies from location to location. However, there are a number of private sector programs that are doing a great job of leveraging professional and personal networks to secure jobs for veterans, for example: Wall Street Warfighters, Vets to Vets, American Corporate Partners, Entrepreneurship Bootcamp for Veterans with Disabilities, and the Wounded Warrior Program. Moreover, there are a number of corporations building a workforce of veterans by designing veteran specific initiatives such as: General Electric, Home Depot, CACI, and Union Pacific. To date, there is no central entity or registry to aid and direct veterans to all of these in an easily accessible way.

### ***Veterans Need Jobs Now!***

The VFW believes there are a number of turnkey items Congress can include in a comprehensive Veterans Jobs Package. Specifically, the VFW urges Congress to expand and increase the Work Opportunity Tax Credit (WOTC). The economic stimulus expanded the WOTC to include a tax-break for employers who hire recently separated servicemembers. However, this tax credit affects only those servicemembers who have separated within 5 years of the hiring date. This excludes at least 765,000 unemployed veterans from non-OEF/OIF eras and some OEF/OIF veterans as well. The current credit provides \$2,400 for non-disabled veterans and \$4,800 for non-disabled veterans. The VFW urges Congress to double the credit to further incentivize the hiring of veterans.

Furthermore, the WOTC requires a veteran to be unemployed for at least 4 weeks; this makes little sense. This provision should be changed to provide any unemployed veteran this opportunity immediately after becoming unemployed. If a veteran is unemployed for 1 day a tax credit is a great incentive for an employer to hire such a veteran and will thereby ease the burden on the veteran and his family, while saving the government up to 4 weeks in unemployment insurance payments.

Also, the WOTC is ineffective if employers are unaware of its existence. A better job of publicizing this tax credit would go a long way to raising the awareness of 'veterans first.' Hiring our newest heroes first, must be our call to American businesses.

**The Disabled Veterans' Outreach Program Specialists (DVOPs) and Local Veterans' Employment Representatives (LVERs) Programs need to be fully Reviewed.**

The VFW calls on Congress to mandate that DOL-VETS do a thorough review of the DVOP/LVER program and report its findings to Congress. The issues with the federally funded and State operated DVOP/LVER programs have continued. Inconsistency from State to State, concerns of how these individuals are being used at the local level, concerns of training or the lack thereof, a lack of clear performance measures and accountability, have all been ongoing issues. Also, developing solutions to improve employment for our veterans requires evaluation of the umbrella one-stop centers under which DVOPs/LVERs operate.

**DOL-VETS, the Bureau of Labor Statistics (BLS), and DoD should conduct a joint annual representative survey of veterans and servicemembers in the Guard and Reserve**

The VFW calls on Congress to mandate that DOL-VETS, in conjunction with BLS and DoD, identify causative factors for unemployment by conducting more detailed surveys of unemployed veterans. We know there are roughly 252,000 unemployed OEF/OIF veterans who are more likely to be unemployed than their civilian counterparts. However, we can only speculate to causative factors as we lack quality data that identifies the core issues unemployed veterans are dealing with today. Essentially, we think we know what the problems are, but we lack a foundation to substantiate our suspicions and to inform our actions.

Recently, BLS released an annual supplement that concentrated on veterans. While this supplement provided additional important information, it failed to provide substantive information on the primary factors inhibiting veterans from gaining meaningful employment. Focusing on the causative issues leading to unemployment will help us better address our veterans' employment needs.

**The VETS-100 should be transparent and provide value to those who assist veterans in locating employment**

The VETS-100, is an annual filing requirement for Federal contractors that receive more than \$100,000 in Federal contracts per a year. The filing requirement was a result of the Jobs for Veterans Act and was meant to help veterans get additional consideration from private companies that receive contracts from the Federal Government. The VETS-100 was intended to fulfill some of the requirements of the Jobs for Veterans Act.

The Jobs for Veterans Act stipulates: *\*2035 "(a)(1) Any contract in the amount of \$100,000 or more entered into by any department or agency of the United States for the procurement of personal property and nonpersonal services (including construction) for the United States, shall contain a provision requiring **that the party contracting with the United States take affirmative action to employ and advance in employment qualified covered veterans.** This section applies to any subcontract in the amount of \$100,000 or more entered into by a prime contractor in carrying out any such contract.*

Currently, the VETS-100 serves no meaningful purpose for our government, Federal contractors, and employed or unemployed veterans. There are essentially only two required actions for companies who file a VETS-100 form: first, they must file the VETS-100 form on annual basis and second, they must list most available positions with an employment delivery system such as an online employment site (I.E. VetJobs). Unfortunately, these mechanisms lack oversight.

The VFW strongly urges Congress to put measures in place that will ensure Federal contractors consider veterans first when hiring new employees.

- ***The VFW believes the VETS-100 report must be made transparent and available to the public in an easily searchable online format.*** The public deserves to know if companies are abiding by our Nation's law. Public transparency will likely prove to provide better oversight than DOL-VETs has in the past. Furthermore, DOL-VETs should provide an annual report to Congress on



their oversight and investigation inquiries to companies that file a VETS-100 report.

- ***A central repository must be created.*** An officially recognized central repository of contractors should be created and updated on a monthly basis with data derived from: the Federal Procurement Data System ([www.fpds-ng.com](http://www.fpds-ng.com)), the Central Contract Registry ([www.ccr.gov](http://www.ccr.gov)), the historical contract data from [www.usaspending.gov](http://www.usaspending.gov) as well as [www.defenselink.mil](http://www.defenselink.mil) for Pentagon awards. This would help DOL-VETs track and monitor Federal contractors to insure compliance of veterans' affirmative action laws.
- ***Serious VETS-100 compliance and reform needs action.*** The present VETS-100 form lacks verification of the three compliance principles of 'affirmative action in hiring' under the Jobs For Veterans Act: 1) proof of affirmative action outreach with the local LVER; 2) proof of posting all job openings on a sanctioned job board; and 3) proof that all sub-contractors are notified if they have sub-contracts of \$100,000 or more.
- ***Consequences need to be set for non-compliance.*** Without comprehensive monitoring and serious sanctions for non-compliance, there is little reason for businesses to comply with the current veterans employment laws.

#### **Conduct a Veterans' Job Fair in Every Congressional District**

Congressman and Congresswomen can be some of the best advocates for America's veterans by encouraging their local businesses and donors to hire vets first. Last year, the VFW worked with Congressman Glenn Nye to host a very successful job fair at one of our local VFW posts in Virginia Beach. Nearly 300 veterans and servicemembers showed up for the event and met with a host of local corporate recruiters and human resource officers, the VA, VSO service officers, and local DVOP's and LVER's. The event was a great success and one we would hope to see duplicated in every Congressional district in the United States.

#### **Increase Funding for the Helmets to Hardhats Program**

The VFW urges Congress to increase grants for the Helmets to Hardhats program. This program has continued to train and place veterans in specialized construction careers. According to Helmets to Hardhats in 2009, they placed 1,060 veterans into careers. Of these, 49 were 30 percent or more disabled veterans. As a result of these placements, these veterans will receive more than \$20 million worth of training from the respective companies at no cost to the veteran. On average the program has cost \$2,830 dollars per a successful placement.

In FY 2009, the program received 3 million dollars. The VFW urges Congress to increase the number of veterans served by increasing their funding. It would also benefit the organization if their appropriation could be directed into a more stable form of funding over the course of multiple years so that they could better manage their resources year after year. We call on Congress to double their funding through a 3 year appropriation. At the end of this time frame the program should be re-evaluated for future appropriations. Furthermore, the veterans who utilize this program would greatly benefit from an expansion of Post-9/11 GI Bill eligibility to those who are attending apprenticeship programs or trade schools.

#### **Extend Unemployment Insurance for Veterans**

Currently, for many workers unemployment insurance is expiring. The VFW is concerned that with the extraordinary unemployment rate of veterans they may be disproportionately affected. The VFW urges unemployment benefits be extended to all eligible veterans. This will ensure that veterans are at least able to feed their families and maintain their place of residence.

#### ***Veterans Need Training and Education to be Competitive!***

With the advent of the Post-9/11 GI Bill, hundreds of thousands of veterans will and are improving their career trajectory through education. Their success is a direct result of Congress's decisive action to completely overhaul the GI Bill. This same attention is needed with other veterans training and education programs.

#### **Vocational Rehabilitation and Education Program (VR&E)**

The VFW envisions a VR&E for Life program. One that adapts to the changing needs of the employment market and the evolving nature of the individual veteran's disability. Our Nation's obligation to disabled veterans is unparalleled. Through life long training and education disabled veterans can achieve high levels of independence and self-confidence that can only be earned through their own determination.

- ***Remove the Delimiting Date for VR&E.*** Currently, the delimiting date for VR&E is set to 12 years after military separation or 12 years following the date

of rating for a service-connected disability. Eliminating VR&E's delimiting date would allow veterans to access it on a needs basis for the entirety of their employable lives. Thus allowing retraining when necessary and lifelong access to VR&E employment services.

- **Increase VR&E's Educational Stipend to Reflect Chapter 33.** Chapter 33 provides a far more equitable living stipend that reflects the real cost of living. VR&E falls dramatically short of aiding veterans with the real costs of living. For this reason, the VFW strongly urges Congress to create cost of living stipend that mirrors the Chapter 33 stipend, which reflects the basic allowance for housing (BAH) E-5 with dependents rate based on zip code.
- **Additional Assistance for Veterans with Dependents under VR&E.** For many veterans with dependents the VR&E educational track provides insufficient support. Many seriously disabled veterans are unable to pursue education or training options due to limited resources and the immediate need to support children and spouses. The VFW calls on Congress to create a viable VR&E program that will assist a veteran pursuing education and training to care for the childcare needs of his or her children while in this program.
- **Jump Start VR&E Enrollment.** From the date a veteran files for services under VR&E until entrance into a training or education program can take many months. This is because VR&E requires validation of entitlement, skill and interest assessment of the veteran, and then authorization of the training or education program. If a veteran has proven eligibility for VR&E it is exceedingly rare that they are not allowed to enroll in a training or education program. The VFW believes that once a veteran is found eligible for VR&E that entrance into training or education should be implicit. The skill and interest assessment should serve solely to help a veteran better focus their efforts.
- **Measure Veterans Long-Term Employment Under VR&E.** Currently, VR&E measures the "rehabilitation rate," as the number of veterans discharged for having achieved their goals. A "rehabilitated" veteran is one who has been gainfully employed for a period of 60 days upon completing VR&E. Such a short-term measure, 60 days of continuous employment, limits VR&E's focus to a short term goal of 60 days of employment.

The VFW urges Congress to redefine the VR&E program's goals to focus on the long-term. At any point over their career a veteran becomes unemployed this should be tracked. If success is measured by long term employability, VR&E employment placement officials will give more credence to career options vice 60 days of employment.

#### **Transferability of Occupational Certifications**

The VFW is very concerned that our military men and women are getting high-levels of specialized training only to it be ignored by State governments and potential employers. More needs to be done to DoD's practices in training our servicemembers. When possible, the VFW urges DoD to utilize similar certifications and standards of training that civilians in their respective State utilize. For example, if someone is being taught to drive a large commercial size military vehicle, why can we not also get that servicemember a CDL certification in the process? The same can be said for a great deal of the training for corpsman, medics, mechanics, and IT occupations who are receiving excellent levels of training that makes them in many cases superior to their civilian counterparts. Due to the lack of State certification employers often insist qualified veterans go through the redundant civilian training programs. More must be done to ensure military occupations receive certifications recognized in the civilian sector; this will help streamline transition for these servicemembers.

#### **DoD should create and distribute to every separating servicemember a list of their equivalent civilian skill sets based on their military occupation and training**

The skill sets one acquires in any military occupation are valuable and not always readily apparent to servicemembers separating from the military. Skills-translators have recently become available to servicemembers who are separating. Some private entities are also proposing to do some interesting things to help veterans realize their specific skill sets and to search for jobs based on their military occupation. However, these tools are largely unavailable and servicemembers are often unaware that these services exist or they cannot locate them. Having DoD provide a standard skill translation based on an individual's training would ensure veterans are aware of their skill sets and know how they translate into the civilian sector. This should also be a requirement of servicemembers that attend TAP, DTAP or DoD's Yellow Ribbon Program.

### **Improve the Post-9/11 GI Bill**

Congress has an opportunity to invest in a proven program that yields lasting results for America. The VFW believes a number of changes need to be made to the Post-9/11 GI Bill to address the needs of today's servicemembers and their families. The original GI Bill provided training apprenticeships and vocational training for World War II veterans. The Post-9/11 GI Bill should also provide veterans the same opportunity to seek careers in skilled trades. The VFW supports the standardization, simplification and restructuring of all education programs, with an eye toward equitable benefits for equitable service, to include:

- Remaining Chapter 30 programs (lump sum payments, vocational training, distance learning) should be moved into Chapter 33.
- Title 10, Section 1606, the Guard and Reserve Select Reserve GI Bill, needs to reflect the Chapter 33 scale.
- Chapter 35 survivors and dependent educational benefits should also be comparable to Chapter 33.
- Ultimately, phase out Chapter 30 and simplifying benefits based on Chapter 33.

Furthermore, the VFW believes that members of the National Guard and Reserve who serve under Title 32 USC, Active Guard Reserve program, should have their service recognized under Chapter 33. By virtue of their status, approximately 45,000 veterans who serve our country under Title 32 do not receive credit toward accruing benefits under the Post-9/11 GI Bill, even though their service was often in support of Federal initiatives. All military men and women should be rewarded equally.

The VFW also supports allowing veterans who attend on-line universities to be eligible for the Post-9/11 GI Bill, and therefore, draw an equitable living stipend. Veterans often decide to attend online universities through necessity—family and work obligations, service-connected disability limitations, as well as financial restrictions that prevent them from becoming traditional, on-campus students. Veterans enrolled in online universities today receive no cost of living stipend. The VFW wants this inequity fixed, and supports their receiving a cost of living stipend based on their home zip code.

While this testimony is not all inclusive of the issues facing veterans' employment, we believe these to be some of the most important. There are more unemployed veterans currently then at anytime in recent history. The recession is likely the number one catalyst, but our Nation's heroes, particularly our recently separated servicemembers, often have aggravating factors that tend to make quality employment a more difficult challenge. These men and women are our Nation's future and will be known as the next great generation of war veterans to build, sustain, and create a stronger United States. We strongly urge this Committee to do everything in its power to be proactive and invest in these men and women today, for a better tomorrow.

As America's largest group representing combat veterans, we thank you for allowing the Veterans of Foreign Wars to present its views on this important issue.

Madam Chairwoman, this concludes my testimony and I will be pleased to respond to any questions you or the Members of this Committee may have. Thank you.

---

**Prepared Statement of Captain Marshall Hanson, USNR (Ret.), Director,  
Legislative and Military Policy, Reserve Officers Association of the  
United States, also on behalf of Reserve Enlisted Association**

### ***Preface***

Mr. Chairman and distinguished Members of the House Veterans Affairs Subcommittee on Economic Opportunity on behalf of 1.1 million Reserve Component members, the Reserve Officers Association (ROA) of the United States and the Reserve Enlisted Association (REA) of the United States expresses its appreciation for the opportunity to submit testimony about the status of veterans' employment. Over the past year veterans, servicemembers, and their families have seen an increase in Congressional and Presidential support.

As contingency operations bring about increased mobilizations and deployments, many outstanding citizen Soldiers, Sailors, Airmen, Marines, and Coast Guardsmen have put their civilian careers on hold while they serve their country in harm's way. Since September 11, 2001, more than 725,000 Reserve and Guard servicemembers have been mobilized, with nearly one third of those having been deployed more than

twice. They share the same risks and their counterparts in the Active Components, but aren't guaranteed career longevity like the full time professionals.

Yet, many return home to find unemployment or underemployment.

### **Executive Summary**

Issues supported by the Reserve Officers and Reserve Enlisted Associations are to:

#### *Support for Hiring Veterans:*

- Implement DoD forms that would inform employers of skills potential veteran gained through their military service.
- Support employer incentives specific to the hiring of returning veterans and reserve component members.
- Oversee Veterans' Recruitment and Employment Strategic Plan.

#### *Veteran Status:*

- Improve communications to field on new veteran preference program.
- Extend veteran status to Guard and Reserve members who don't serve on active duty to 180 days.

#### *Education:*

- GI Bill—pass legislation that adds technical, On Job Training, and apprenticeship programs to the Post-9/11 GI Bill eligibility

#### *Reserve and Guard Small Business Owners:*

- Support incentives permitting deployed small business owners to keep their businesses.

#### *Employment Protections—Improve USERRA & SCRA:*

- Suggested improves follow in written testimony.

### **Introduction**

The consequences of mobilization and demobilization do not solely impact the military member; it also has an effect on families and employers. Families and employers play a large role in a citizen-warrior's decision on whether or not to enlist and to remain in the military. In personnel surveys, employer pressure is listed as one of the top two reasons why Guardsmen and Reservists quit military service.

Reserve forces cannot train or deploy without the continued cooperation of their civilian employers, who hire Reservists, and who provide the required time off and rearrange work schedules to accommodate their Reservist employees' training and deployment schedules.

As Reserve activations and deployments increase during this extended Global War on Terrorism, employers' costs associated with hiring Reservists also increase, and with these higher costs, the employers' reluctance to hire Reservists may grow as well. If Reservists believe that their civilian livelihoods are adversely affected by their Reserve affiliation, they will end that affiliation.

The aggregate success of an all-volunteer Total Force depends on an appropriate reliance on Guard and Reserve forces. An all volunteer active force is very expensive, and must be kept at a manageable and affordable level. This force must be augmented by a capable Reserve Component. The accessibility to these Reserve Component forces depends in large measure on the acquiescence and support of the employers of our citizen-soldiers. Without a viable Guard or Reserve, a larger Active duty force will raise the expense of National Defense.

### **An Encumbrance**

Reservist's employers are being burdened by extra costs to support national defense when their Reserve Component employees are called up multiple times.

Civilian employers' work and production schedules (and the bottom line) are affected to a greater or lesser degree by the availability of their workers. The Uniform Service Employment and Reemployment Rights Act (USERRA) requires that employers make time available to their Reservist-employees for military training, forbids hiring discrimination, and mandates job protection for deployed Guard and Reserve members. Yet USERRA doesn't necessarily provide the depth of protection that Congress intended.

Small businesses, which the Internal Revenue Service (IRS) defines as having a 100 or fewer employees, employ 60 percent of the Nation's workforce, and have created two-thirds of the new jobs since 1970. Some small companies, however, are much more vulnerable to these mobilization risks from the Global War on Terrorism and other call-ups such as Hurricane Katrina.

Businesses that operate in communities near military bases will suffer as U.S. forces are deployed overseas and local economies are stressed. National Guard call-ups are another potential worry for employers. Key workers could be asked to report to duty for prolonged and unpredictable periods. Somewhere between 100,000 to 200,000 members from the National Guard may be used either to help the war effort in Iraq and Afghanistan or to replace the vacancies left by deployed active-duty officers at home.

Many small businesses are unable to continue operating and face going out of business, when their Reserve employees are asked to leave their jobs and serve the Nation in the war on terrorism, also forcing other employees from their jobs. Most small businesses cannot afford to provide differential pay and supplemental benefits.

Civilian employees increasingly are choosing not to hire veterans. In an online survey by Workforce Management Research Center it showed that more than half civilian employers would if they knew that a Reservist or Guard member could be called up again, being taken away from their civilian job for an indeterminate period, would not hire a RC member.

Despite initiatives created by Congress, the unemployment rate for veterans and servicemembers has continue to increase at an alarming rate.

#### ***Employment Protections***

Veterans and servicemembers are provided protections through the National Committee for Employer Support of the Guard and Reserve (ESGR), the Uniformed Services Employment and Reemployment Rights Act (USERRA), and the Servicemembers' Civil Relief Act (SCRA).

Though the Reserve Components have jobs when they leave for a deployment once they return too often those jobs are no longer available despite Federal law requiring employers to hold their positions. In the Federal FY 2009 Department of Labor opened a record number, 1,437 cases based on veterans' complaints about violations in law. The Department of Justice (DoJ) also reported during the same period a record number of lawsuits against employers for failing to give returning RC members their jobs back. As it stands many RC members, more than 40 percent, lose income when they mobilize.

In an IAVA report published January 2009 employers surveyed demonstrates their lack of knowledge of USERRA with 36 percent unaware of the protections they are supposed to provide servicemembers and 61 percent do not have an understanding of military service qualifications.

Notwithstanding the protections afforded veterans and servicemembers, and anti-discrimination laws it is not unusual for members to lose their jobs due to time spent away while deployed. Sometimes this is by employers who go out of business, but more because it costs employers money, time, and effort to reintroduce the employee to the company.

**ROA strongly urges Congress to pass legislation granting tax credits to employers of Reserve Component members.**

#### ***Improvements to USERRA***

While the Department of Labor's December 2005 regulations positively affect USERRA enforcement, many other things still need to be done to improve USERRA. *ROA and REA encourage Congress to support further USERRA provisions that will protect employment of the Reserve Components and encourages compliance by employers.*

- Do not permit employers to discriminate by asking prospective employees if they are in the Guard or Reserve.
- Exempt employees from penalties when their insurance lapses if their motor carrier license expires while mobilized (i.e., the Federal Motor Carrier Safety Administration).
- Work with Federal agencies to abide by USERRA/SCRA standards.
- Provide protection of mobilized Guard and Reserve students by granting academic leaves of absences, guarding academic standing and refund guarantees.
- Expand USERRA's definition of "service in the uniformed services" to include an employee's need to be absent from work for purposes of medical treatment (from DoD or Department of Veterans Affairs facilities) for a wound, injury, or illness incurred or aggravated during a period of service in the uniformed services.
- Amend 38 U.S.C. 4323(d)(1)(C)—the "liquidated damages" provision to require employers who have violated USERRA to remunerate to the servicemember an amount of \$20,000 or the amount equal to the actual damages, whichever is

greater. Provide a provision in section 4324 allowing for liquidated damages when the employer is a Federal executive agency and the violation was willful, such as found in section 4323 as it applies to States, political subdivisions of States, and private employers.

- Amend Title 38 U.S.C. 4323(e) to mandate (rather than simply permit) injunctive relief to prevent or correct a USERRA violation.
- Amend Title 49 U.S.C. 44935 to apply USERRA to servicemembers employed by the Transportation Security Administration (TSA) as screeners.
- Amend 38 U.S.C. 4302(b) to make clear that USERRA overrides an agreement to submit future USERRA disputes to binding arbitration.
- Amend 38 U.S.C. 4303 (definition of “employer”) to clarify that a successor in interest (a new employer often resulting from a merger, transfer of assets or takeover of a function between companies) inherits the predecessor’s USERRA obligations and that a merger or transfer of assets is not necessary to support a finding of successor liability.
- Amend 38 U.S.C. 4323 and 4324 to authorize punitive damages for willful and egregious USERRA violations.

#### ***ROA Servicemembers Law Center***

While USERRA is supposed to provide protection, the U.S. government can’t provide the legal support resources for the ever increasing number of reemployment cases. National Guard and Reserve members and returning veterans are forced to seek private legal representation. Because of its USERRA expertise, it was suggested that ROA develop a Servicemembers Law Center, advising Active and Reserve servicemembers who have been subject to legal problems that occur during deployment. The center was opened in June 2009.

The legal center will help encourage new members to join the Active, Guard and Reserve components by providing a non-affiliation service to educate prior service about USERRA and Servicemember Civil Relief Act (SCRA) protections, and other legal issues. It would help retention as a member of the staff could work with Active and Reserve Component members to counsel those who are preparing to deploy, deployed or recently deployed members facing legal problems.

The Legal Center can advise, refer by providing names of attorneys who work related legal issues and amicus curiae briefs, encourage law firms to represent servicemembers, and educate and training lawyers, especially active and reserve judge advocates on servicemember protection cases. The center could also be a resource to Congress.

#### ***Needed Improvements to the Servicemen’s Civil Relief Act***

In the age of internet back ground checks, employers can check credit scores and financial backgrounds before hiring a new employee. Veterans who have been deployed have certain protections, but improvements can be made. While SCRA made major improvements in the SSCRA, but new problem areas continue to surface. This section proposes seven SCRA amendments to address these problem areas. *The Reserve Officers Association would be pleased to work with the Veterans Affairs Committees on furthering these and other corrections.*

**Amend the SCRA to forbid discrimination based on membership in a Reserve Component or the possibility of future utilization of SCRA rights:** Under section 518 of the SCRA (50 U.S.C. App. 518), it is unlawful for a creditor or other party to discriminate against or take an adverse action against a servicemember based on the servicemember having *applied for or received* a stay, postponement, or suspension under the SCRA. Under the current law, it is not unlawful for a creditor or potential creditor to deny credit based on the prospective borrower’s membership in a Reserve Component and the possibility that the prospective borrower could be mobilized in the future and could apply for or receive a stay, postponement, or suspension. ROA proposes that Congress amend the SCRA to close this loophole.

**Amend the SCRA to broaden the types of leases and contracts which the person entering active duty can terminate without penalty:** Under the SSCRA, since 1917, a person entering active duty has been permitted to terminate a lease on premises (apartment, house, office, farm, etc.). In 2003, Congress broadened this provision to enable the person entering active duty to terminate a vehicle lease. In 2008, Congress enacted a new provision to permit a servicemember to terminate a cell phone contract under certain circumstances. Congress needs to amend the SCRA to include leases and contracts for small businesses, in addition to leases of premises, vehicles, and cell phones.

**Amend the SCRA to make the right to a continuance and the protection against default judgment apply to arbitration proceedings:** The individual

the SCRA to include leases and contracts for small businesses, in addition to leases of premises, vehicles, and cell phones.

**Amend the SCRA to make the right to a continuance and the protection against default judgment apply to arbitration proceedings:** The individual who is on active duty may be unable to respond promptly to a civil lawsuit or administrative proceeding, especially if the individual is deployed to a place like Iraq or Afghanistan. Since 1917, the SSCRA has given the individual in this situation some protection, including the right to a continuance and default judgment protection if military service interferes with a timely response. In 2003, Congress expanded these provisions to make them apply to administrative as well as judicial proceedings, but the provision has been held not to apply to *arbitration* proceedings.

**Amend the SCRA to forbid exorbitant overdraft fees and late fees for deployed servicemembers:** There have been instances where deployed servicemembers have been charged hundreds or thousands of dollars in overdraft fees or late fees for a low-dollar overdraft on a checking account or a late payment on a credit card. Such exorbitant fees should be forbidden.

### ***Unemployment***

The national unemployment rate for 2009 was 9.3 percent, the highest since 1983, while the rate for Operations Iraqi Freedom (OIF) and Enduring Freedom (OEF) veterans as of March 2010 is 14.7 percent.

Gulf War (August 1990–present) veterans comprise about one-third National Guard and Reserve (current or past). Among the Gulf War-era RC veterans the unemployment rate as of August 2009 was 10.9 percent. The overall unemployment rates for OIF and OEF of Reserve Component veterans was 10.2 percent in 2009.

Young male veterans (18 to 24 years) had an unemployment rate of 21.6 percent in 2009 with nearly two-thirds of all veterans from the current conflicts are under 35 years.

Approximately 21 percent of OIF and OEF veterans have service-connection disabilities.

Other unique characteristics of the current veteran population is that women make up 18 percent of OIF and OEF veterans compared to 3 percent for past conflicts. Also OIF and OEF veterans are far more likely to work for the Federal Government than nonveterans, 15 percent veterans compared to 2 percent nonveterans. Also veterans' unemployment has on average increased about 1 percent since 2007 although for Reserve Components it has actually quadrupled in the same period.

### ***Post-9/11 GI Bill***

With rising unemployment among OIF and OEF including Guard and Reserve members, transitioning members need the opportunity to gain new skills, education, and experience to compete for jobs especially in our current difficult economic situation. Yet the Post-9/11 GI Bill does not include on the job (OJT), apprenticeship, and flight training programs.

**ROA and REA urge Congress to pass legislation that adds OJT, apprenticeship, and flight training programs to the Post-9/11 GI Bill eligibility.**

Additionally it's believed that the unemployment rate for veterans would be far worse than reported if so many veterans were not enrolling in educational institutions utilizing the Post-9/11 GI Bill. These veterans are not counted as being unemployed even though many need to continue working to support their families while attending school.

### ***Barriers to Employment of Veterans***

There are two very significant barriers that servicemembers and veterans face. One is the lack of knowledge regarding the transition from military to civilian life. The other is the lack of ability of the veteran as well as a potential employer to translate the veteran's skills and education into a civilian job.

According to a Military.com 2007 survey 61 percent of employers don't believe they have "a complete understanding of the qualifications ex-servicemembers offer," and more than three-quarters of veterans entering the civilian workforce reported "an inability to effectively translate their military skills to civilian terms." Veterans also feel they lack critical career advancement skills like networking and salary negotiation.

Civilian employers are also wary of hiring RC members because of potential disruptions in the employee's work schedule due to their service requirements as well as medical appointments and war-related health problems.

H.R. 2847 Hiring Incentives to Restore Employment Act was signed into law creating new tax breaks for hiring and retaining unemployed workers. Several other bills were also introduced this past year.

**While not under this committee's jurisdiction we hope that the Veterans Committee can support specific incentives to hire returning veterans and Guard and Reserve members.**

#### ***Federal Government Employment***

At the end of Fiscal Year (FY) 2008 there were about 480,000 veterans working within the Federal Government.

In comparison to the private sector, the Federal Government hires three times percentage of veterans, seven times percentage of disabled veterans, and 10 times the percentage of severely injured veterans.

Agencies within the government that demonstrate distinction should be studied and the results shared with all agencies as well as the private sector. For example nearly 80 percent of veterans are employed in three agencies—Departments of Defense (DoD), Veterans Affairs (VA), and Homeland Security (DHS)—which makes up approximately 58 percent of the workforce.

In OPM's FY 2010–2012 Government-wide Veterans' Recruitment and Employment Strategic Plan they identified key barriers to increasing the number of veterans employed in the Federal Government which are listed below:

- Lack of clear leadership regarding the value and importance of hiring veterans
- Infrastructure that doesn't support advocacy of veterans' employment within Federal agencies
- Insufficient understanding of Veterans' Preference and utilization of special hiring authorities by human resources professionals and hiring officials
- Inadequate understanding of Veterans' Preference and Federal hiring process by veterans and transitioning servicemembers
- Absence of systems to match veterans' skills and education to positions within the Federal Government

**ROA and REA encourage this Committee to closely oversee OPM's strategic plan for veterans' recruitment employment to utilize information and gain a better understanding of obstacles and potential opportunities.**

#### ***Veterans' Status and Preference***

Contrary to the legacy veteran's preference program where veterans were given 5 or 10 points on their application for Federal service, a new program began this past September taking servicemembers through the needed steps to acquire a Federal job upon leaving the military. Their skills are assessed to determine what kind of work they can do in Federal service then directed to those corresponding positions. **ROA and REA support expansion of this program.**

Current law defines members of the Reserve Components who completed 20 or more years of service as "military retirees." At the age of 60, these retirees are eligible for all the benefits afforded active duty military retirees, such as military retired pay, and TRICARE health care. But they are not considered as Veterans as they didn't serve a qualifying period of 180 days of Federal active duty. In some cases, these individuals have even directly supported contingency operations, but on "training" orders.

Many States and cities grant benefits to veterans, such as education and employment benefits, and use the Federal definition of a veteran to determine eligibility. So certain Guard and Reserve retirees aren't eligible for these local benefits, either.

Congressman Tim Walz (D-Minn.) introduced a bill in October 2009. His H.R. 3787 would amend Title 38, United States Code, to deem certain service in the Reserve Components as active service for purposes of laws administered by the secretary of Veterans Affairs. In early January his bill had 30 co-sponsors.

**The Reserve Officers Association supports this bill and hopes that the Committee will release it for consideration by the House.**

#### ***Small Business Owners***

Reserve Component small business owners are particularly challenged by deployments. About 22 percent of self-employed Reservists find their activations impact their personal businesses, creating very serious problems. Many have to sell out partnerships, or close down businesses. And as many of these Reserve Component members are employers of others, many non-military are laid off when the business owner is deployed.

**ROA and REA support initiatives to provide small business owners with protections for their businesses to be sustained while on deployment, for example a potential program in which a trained substitute if one is not available to run the business while the member is out country.**



### **Conclusion**

ROA and REA would like to thank the Committee and its staff for its attention to this crucial issue which has increasingly become a pressing concern for veterans and their families. Even more so for RC members that are being utilized at a high operation tempo, requiring longer and more frequent periods of absence from their civilian jobs.

Servicemembers and veterans as well as their families face daunting obstacles to their futures once they are separated from the military. The unemployment rate nationally is a growing problem, yet for veterans there situation is compounded for varying reasons causing their unemployment likelihood to be higher especially for the young veterans.

ROA and REA appreciate efforts by this Committee to address employment issues that veterans face. We look forward to continuing to work with the Committee and staff.

---

### **Prepared Statement of Colonel Peter J. Duffy, USA (Ret.), Deputy Director of Legislation, National Guard Association of the United States**

#### **Background—Unique Citizen Servicemember/Veteran**

The National Guard is unique among components of the Department of Defense in that it has the dual State and Federal mission. While serving operationally on Title 10 active duty status in Operation Iraqi Freedom (OIF) or Operation Enduring Freedom (OEF), National Guard units are under the command and control of the President. However, upon release from active duty, members of the National Guard return to the far reaches of their states as both **veterans** and continuing serving members of the Reserve Component but under the command and control of their governors. As a special branch of the Selected Reserves they train not just for their Federal missions but for their potential State active duty missions such as fire fighting, flood control and providing assistance to civil authorities in a variety of possible disaster scenarios.

While serving in their States, members are scattered geographically with their families as they hold jobs, own businesses, pursue academic programs and participate actively in their civilian communities. Against this backdrop, members of the National Guard remain ready to uproot from their families and civilian lives to serve their governor domestically or their President in distance parts of the globe as duty calls and to return to reintegrate within the same communities when their missions are accomplished.

Military service in the National Guard is uniquely community based. The culture of the National Guard remains little understood outside of its own circles. When the Department of Defense testifies before Congress stating its programmatic needs, it will likely recognize the indispensable role of the National Guard as a vital Operational Force in the Global War on Terror (GWOT) but it will say little about and seek less to redress the benefit disparities, training challenges and unmet medical readiness issues for National Guard members and their families at the State level before, during and after deployment. We continue to ask that they be given a fresh look with the best interests of the National Guard members and their families in mind.

#### **Enhance Employability for Our National Guard Veterans by Amending 10 USC 1097c to Allow Employers to Offer Incentives for Them to Enroll in TRICARE Reserve Select and Decline Employer Sponsored Health Plans**

TRICARE Reserve Select (TRS) has been available to members of the Reserve Components since October 2007 but it remains under subscribed with only 7 percent of the eligible population participating according to the Department of Defense. This is surprising given the low monthly premium rates of \$180.00 for family coverage and \$47.51 for individual coverage.

Under current law, 10 USC Section 1097c, employers of members of the Select Reserve cannot offer incentives to members of the Select Reserve to decline coverage under the Employer's more expensive health care plan and enroll in less expensive TRICARE Reserve Select with the premiums paid with pre tax dollars by their employers.

The current law prevents our member veterans from leveraging their ability to be covered with low cost health insurance as an inducement for prospective employers to hire them. It is a challenge for all of our unemployed members to convince employers that they are worth hiring in the face of the certainty of disruptive long

term absences from deployments. Amending 10 USC 1097c would have the beneficial effect of making our member veterans more attractive to potential employers because they would be less expensive to insure. This savings would loom large for employers now required to provide employees with health insurance under the new health care law.

#### **Support for Expanding the Transition Assistance Advisor Program**

The Yellow Ribbon Program needs to expand by statute the Transition Assistance Advisor (TAA) Program to at least three hundred positions managed by the Joint Staff of the National Guard Bureau under the auspices of the Department of Defense Office of Reintegration. The “go to” feature of TAA makes it invaluable and personal to our members and their families to learn and understand the benefits programs that exist at the VA and elsewhere pre, during and after deployments. So many programs have proliferated during the current war that many members and family complain that the information thrown at them at benefit briefings is like “drinking from a fire hose”. The reintegration briefers from the behavioral care staff of Johns Hopkins refuse to use “power point” because its lack of interactivity loses the trust and attention of the audience. The TAA program provides a necessary interactive and trustworthy alternative to the one time electronic briefing or the many lost in the shuffle Web sites. TAA has staying power and simply put-it works. It needs to be resourced and sustained with statutory backing.

#### **S. 842 to repeal the sunset of SCRA foreclosure and interest rate protections scheduled to expire December 31, 2010**

As part of the Housing and Economic Recovery Act of 2008, Congress strengthened the protections for our veterans under the Servicemembers’ Civil Relief Act by extending both the 6 percent interest cap on pre deployment mortgage interest to 1 year after the period of military service and the stay against foreclosures from 90 days to 9 months after the period of military service. Unfortunately, these protections are scheduled to sunset (expire) December 31, 2010.

**S. 842** sponsored by Senator Kerry in the Senate would repeal the pending sunset of these protections. There are no cosponsors yet in the Senate and currently no House companion bill to **S. 842**. These are important protections in a difficult economic environment which need to be maintained beyond this year. It will be difficult for our member veterans to fully concentrate on their civilian employment with the specter of subprime mortgage hikes and foreclosures following close on their heels as they return from deployments.

#### **Veterans’ Preference Status for All Who Have Honorably Served in the National Guard and Reserve**

NGAUS recently received a letter from Monique Elling, a former member of the Delaware National Guard, who served honorably for 10 years in domestic assignments but who has been denied veterans preference points because her only title 10 active duty time was in training status after enlistment. With her permission, a copy of her letter is set forth in the Appendix. Such restrictive definitions of veteran disrespect the honorable service of our members and unfairly restrict employment opportunities for otherwise qualified candidates. Veterans’ employment preference points must be extended to all those who have served honorably in the Select Reserve and active forces.

#### **H.R. 3554—Amending the Post-9/11 GI bill to Recognize Title 32 Active Duty**

Amid great celebration and expectations, the bill providing Educational Assistance for Members of the Armed Forces Who Serve After September 11, 2001, more commonly known as the Post-9/11 GI Bill, was hurriedly enacted as part of the Supplemental Appropriations Act, 2008 Public Law 110–252 but with one glaring omission; Congress excluded all National Guard Title 32 active duty service after 9/11 from qualifying for benefits under this program.

The impact of this legislation is that Congress has effectively denied benefits to our dedicated men and women who have served our country on Title 32 active duty post 9/11 as AGRs and in mobilized operations such as Operation Noble Eagle, Operation Jump Start, and in the critically needed airport security operations in the desperate days immediately following the 9/11 attacks on the homeland. What is particularly upsetting is the fact that the bill provides benefits for domestic active duty service of Reserve AGRs and other active forces on Title 10 orders who are performing virtually the identical service as our National Guard AGRs and other members on Title 32 orders who are denied the same benefits.

In a time of limited employment opportunities, our members need to be given full opportunity, financial assistance and encouragement under the Post-9/11 GI Bill to pursue higher education to enhance their employability while waiting for the economy to correct.

**H.R. 3554**, introduced by Representative David Loebsack (D-IA), with 94 current co sponsors and its companion bill in the Senate, **S. 1668**, introduced by Senator Michael Bennet (D-CO), with 13 current co sponsors would include Title 32 active duty in the calculation of benefits under the Post-9/11 GI Bill. These bills will need broader co sponsorship and support in Congress to succeed.

The Congressional Budget Office has recently estimated the cost of H.R. 3554 at \$1.14 billion over 10 years. It is important to note that when it passed the Post-9/11 GI Bill, Congress rightfully disregarded its normal budgeting concerns which annually block legislation needed to correct longstanding benefit inequities faced by the National Guard. Money was not an object when the Post-9/11 GI Bill was enacted and it should not now be a bar to taking this corrective action.

**H.R. 4318—Establishment of a Civilian Conservation Corps**

**H.R. 4318**, introduced by Representative Marcy Kaptur, would establish a 21st century Civilian Conservation Corps to employ our citizens in public works projects on our public lands to relieve the distress of unemployment and homelessness.

A Civilian Conservation Corps (CCC) would provide a particularly effective venue for veterans who are already trained to work and live as a team in the most challenging of environments. It would provide an imaginative spark to public service in this country that would give our veterans and all others employed in a CCC program a sense of ownership and pride in improving our Nation. In a dispirited time for so many, a CCC program would raise the collective spirit of our Nation by initiating meaningful projects to employ veterans that would protect the environment and provide the necessary care and upkeep for our beautiful country.

**Expanded Military Mental Health Care Training of Civilian Providers, Veterans and Families and Issuance of VA Voucher**

The issues of veterans' employment and mental health maintenance cannot be separated. Before veterans can maintain gainful employment in a challenged job environment, they must be able to maintain a workable level of mental health and establish supportive social networks.

The Rand Corporation in its study, "The Invisible wounds of War" reported that as of October 2007, 300,000 veterans of Operation Iraqi Freedom and Operation enduring Freedom suffered from either PTSD or major depression, a number which has only grown in the interim. The harmful effects of these untreated invisible wounds on our veterans hinder their ability to work productively and live independently.

Rand emphatically recommended increasing the cadre of trained and certified providers and to deliver evidence based care to veterans whenever and wherever services are provided they are located. In addition to training providers, veterans and their families must be trained on how to recognize the signs of behavioral illness and how and where to obtain treatment for the same.

In order to fully leverage the health care providers in our communities, veterans must have the ability to utilize trained and certified services in their communities wherever they are available. To facilitate this, the VA must issue a voucher card that will allow our veterans to seek fee based treatment with certified providers outside the brick and mortar of the Veterans Administration facilities which are often located hundreds of miles from a veteran in need. Requiring a veteran, once employed, to drive hundreds of miles to obtain care at a VA facility necessitates the veteran taking time off from work which most employers can ill afford.

**APPENDIX**

---Original Message---

From: Elling, Monique A Mrs CTR U.S. NG NGB ARNG [mailto:Monique.Elling@us.army.mil]  
 Sent: Wednesday, March 17, 2010 1:14 PM  
 To: Richard Green  
 Subject: The Unstatus Soldier (UNCLASSIFIED)  
 Classification: UNCLASSIFIED  
 Caveats: FOUO

Mr. Green,

Thank you for taking time out of your schedule to listen to my concerns. I was an officer in the Delaware National Guard who served over 10 years—seven of which were full-time as a "military technician". I've recently been applying for Federal jobs and on the job application it ask "are a veteran of the armed forces?". My instinctive reply to the question was "yes".

eral jobs and on the job application it ask "are a veteran of the armed forces?". My instinctive reply to the question was "yes".

Naturally 10 years of service in the Army National Guard qualifies me as a veteran. The question of my veteran status was proceeded by the quantifying statement "served honorably on active duty in the armed forces of the United States for 180 days or more (Reserve and National Guard active duty for training does not qualify)". It's not a matter of wanting monetary benefits but the Federal Government's recognition my years of service.

Counterintuitive to everything I had been trained to do and lived, I had to put "no". No, my 10 years of training, operational exercises and drills are not quantifiable to 180 days of active duty. No, having to meet the same standards and required to attend the same schools as my active duty brothers is not quantifiable to 180 days of active duty. Is it a matter of perceived sacrifice? I too, upon the ramp-up of the war spent days and weeks away from my family preparing Soldiers and families for deployments. In fact, during the first surge of the war I was taking care of my father with cancer. I often found myself teetering between traveling to mobilization stations preparing my Soldiers and managing the care of my father. My father lost his battle with cancer. A part of me blames myself for splitting my time and not making him my sole priority. I share the next story not because I fancy morbidity, but to use my personal experience to illustrate the shared sacrifice of our "Citizen" Soldiers to their "Active" counterparts. I received my commission through the State OCS program. The length of the program was approximately 15 months. Twelve months into the program I became pregnant. Unaware of my pregnancy, I continued training and subsequently miscarried. I was told it was more than likely the physical stress I subjected upon myself. I've never publicly shared this story with anyone. I now gladly share but for the larger good it may do in the effort of changing the narrow definition of a "veteran."

To add insult to injury, I recently interviewed and was chosen for a position working for the National Guard Bureau but it was revoked due to my reinstatement eligibility status. I found out that due to the fact military technicians are "excepted" status Federal employees they cannot be considered for employment when the position is opened to only competitive status and reinstatement eligible Federal employees. I researched the issue further and found out there were exceptions to allowing certain "excepted" status candidates to compete through the Department of Defense Interchange Agreement. Upon further investigation I was shocked to find out that the National Guard does not have such an agreement with Department of Defense. I am perplexed that the National Guard Bureau, the very agency that oversees the various State National Guards is closed to military technicians. Again I ask, what is my status? I don't received the same status of my fellow guardsmen who are AGR and yet I'm not afforded the same treatment as a competitive Federal employee. Ironically, I'm hunted by a phrase I use to tell my Soldiers about the equality of each Soldier regardless of color, nationality or sex. "Despite all of our differences we are all green on the inside".

Again, I thank you for your time and hope that my experience may help another Soldier. Unstatus but still "green" on the inside.

Sincerely,

Monique A. Elling  
IIF Data  
Senior Analyst  
703.601.7576

Don't wait to strike the iron when it's hot. Strike it and make it hot!

Classification: UNCLASSIFIED

Caveats: FOUO

---

**Prepared Statement of Hon. Raymond M. Jefferson,  
Assistant Secretary, Veterans' Employment and Training Service,  
U.S. Department of Labor**

Madam Chair, Ranking Member Boozman, and Members of the Subcommittee:

Thank you for your service to our Nation's Veterans and for the opportunity to testify before you today about what the Department of Labor's (DOL) Veterans' Employment and Training Service (VETS) is doing to help our Veterans and transitioning servicemembers.

VETS proudly serves Veterans and transitioning servicemembers by providing resources and expertise to assist and prepare them to obtain meaningful careers, maximize their employment opportunities and protect their employment rights.

I am deeply humbled to have the privilege of serving our Nation as the Assistant Secretary for Veterans' Employment and Training. Secretary Solis has been an incredible source of guidance and support, and has made Veterans and VETS one of her top priorities. Our programs are an integral part of Secretary Solis's vision of "*Good Jobs for Everyone*," and her commitment to help Veterans and their families get into the middle class and maintain stability.

Every day, we are reminded of the tremendous sacrifices made by our servicemen and women, and by their families and one way that we can honor those sacrifices is by providing them with the best possible services and programs our Nation has to offer. Secretary Solis and I believe strongly that Veterans deserve the chance to find good jobs and VETS works closely with the DoD and the Department of Veterans Affairs (VA) to help them get there. All of us—and that certainly includes Congress as well as the Administration—have to work together to help our Veterans overcome the challenges they face to finding a good job when they return to civilian life.

### ***Aspirations***

The Secretary's guiding vision and the discussions I've had since my confirmation with servicemembers, Veterans, Veterans' Service Organizations, private sector leaders, and employment and training professionals have informed five core aspirations that VETS will pursue during my tenure as Assistant Secretary:

1. We will provide Veterans and transitioning servicemembers a voice in the workplace by serving as *the* national focal point for Veterans' employment and training needs. Specifically this involves the following:
  - a. Helping more Veterans by increasing awareness of our resources, making our programs more accessible, and improving the employment outcomes for those who participate in them.
  - b. Improving communication and collaboration with partners and stakeholders.
  - c. Paying close attention to populations with unique needs, especially Veterans and transitioning servicemembers who are women, Native Americans, homeless, live in rural areas, or are wounded, ill or injured.
2. We will create a better path to good jobs for Veterans through increased engagement with employers, with a particular emphasis on the private sector.
3. We will help servicemembers transition seamlessly into meaningful employment and careers while emphasizing success in emerging industries such as green jobs.
4. We will facilitate a return to work for servicemembers and protect vulnerable populations by increasing awareness of and commitment to USERRA's rules that protect Veterans.
5. We will invest in VETS' team members and emphasize continuous improvement to better serve the Secretary's vision and the Nation's Veterans.

### ***Improvements in Current Programs***

We have four main programs at VETS which serve the Secretary's goal of providing "*Good Jobs for Everyone*" that we are working to improve:

- The Jobs for Veterans State Grants (JVSG);
- The Transition Assistance Program Employment Workshops (TAP);
- The Homeless Veterans' Reintegration Program (HVRP); and
- The Uniformed Services Employment and Reemployment Rights Act (USERRA).

#### ***Jobs for Veterans State Grants***

The Jobs for Veterans State Grants helps Veterans find good jobs through services provided at One-Stop Career Centers and other locations. Grants are provided to State Workforce Agencies to hire Veteran-dedicated staff such as Disabled Veteran Outreach Program specialists (DVOPs) and Local Veterans' Employment Representatives (LVERs), who serve as the "front line" for the employment and reemployment of our Nation's Veterans.

The Jobs for Veterans Act of 2002 (JVA) changed the DVOP and the LVER programs by making delivery of intensive services the principle focus for DVOP specialists and by providing LVERs with a dual mission of providing employer outreach and facilitating services. For FY 2011, the President's budget proposes an initiative that will more closely align the service delivery duties of DVOPs with providing intensive services, and continue to emphasize the LVER outreach to employers. We

will accomplish this by beginning with a pilot and progressing to system-wide implementation.

- Under the budget proposal, DVOPs will:
  - Offer tailored intensive services to Veterans with employment barriers; and
  - Reduce the emphasis on delivery of core services to Veterans.
- LVERs will increase their emphasis on job development and employer outreach.

We expect to publish policy guidance this month, and then conduct pilot programs with full implementation by September 2011.

Also under the Jobs for Veterans Act of 2002, Veterans receive priority of service in all qualified job training programs that are directly funded, in whole or in part, by the Department of Labor, including programs offered at DOL-funded One-Stop Career Centers. The Department published regulations in 2009 to implement this rule, and recently, released joint guidance from VETS and DOL's Employment and Training Administration (ETA), which administers the Career Centers.

These Centers provide high-quality employment and training services at more than 3,000 locations across America and last year, helped over 1.5 million Veterans and provide an array of services including:

- Skills assessment and interest surveys;
- Career guidance;
- Job search assistance;
- Skills training for jobs in high-demand in specific local communities;
- Child care; and
- Transportation.

VETS is also collaborating with VA's Vocational Rehabilitation and Employment (VR&E) service by stationing DVOP specialists at VA Regional Offices and other points of entry to VR&E services to help VR&E participants find good jobs.

#### *Transition Assistance Program (TAP) Employment Workshops*

DOL provides TAP Employment Workshops at military installations world-wide to make it easier for servicemembers and their spouses to transition from military service to civilian employment. These are comprehensive 2½ day employment workshops.

In response to external assessments and stakeholder feedback regarding TAP's performance, we are working closely with DoD, VA and the Department of Homeland Security (DHS) to redesign the workshops to make them more relevant and engaging. Presently, the 2½ day workshop consists of about 240 slides that haven't been modernized in about 17 years. We need to and we will make them more engaging, relevant, and applicable to Veterans preparing to come home.

The FY 2011 budget establishes the TAP program as a separate budget activity to highlight the significant role this program plays in helping returning servicemembers find good jobs. The requested increase of \$1,000,000 in FY 2011 will be used to raise awareness that spouses are eligible to attend the program, and to provide the course to spouses in languages other than English.

We also worked with DoD, VA, and DHS late last year, to develop a multi-year, strategic plan for servicemembers as they transition from the military. This effort goes beyond the TAP Employment Workshop and encompasses the entire transition experience. We're all committed to ensuring the plan is action-oriented and will have a measurable, positive impact. It will involve an increased emphasis on the employment needs of the Reserve components and servicemembers who have been wounded, ill or injured.

#### *Homeless Veterans' Reintegration Program (HVRP) and Veterans' Homelessness*

Secretaries Solis, Shinseki, Sebelius, and Donovan share a commitment to eliminating homelessness among Veterans. Our appropriation for FY 2010 is \$36,330,000 and we have requested an additional \$5,000,000 for a total of \$41,300,000 for FY 2011. We have strengthened our interagency collaboration at all levels to mobilize for this important and necessary goal. VETS' contribution to this effort will include the following:

- Continue reaching out to homeless Veterans and assisting them in becoming re-integrated into the workforce through the Homeless Veterans' Reintegration Program. VETS expects to serve 21,000 participants in FY 2010. The requested increase of \$5 million for FY 2011 will boost that number to an estimated 25,000 participants.
- Through the Incarcerated Veterans Transition Program (IVTP), VETS will continue its efforts to help incarcerated Veterans and will coordinate these efforts with the Department of Veterans Affairs. Of the \$36 million for HVRP in FY

2010, VETS plans to use \$4 million for IVTP, which will serve approximately 1,500 Veterans, through 12 grants, who will be transitioning from incarceration back to society. We plan to continue this program at that level in FY 2011.

- Of the \$10 million increase for the HVRP in FY 2010, we will use up to \$5 million for a major new undertaking—to provide customized employment services for homeless women Veterans and homeless Veterans with families, a population that is on the rise and in need of specialized services. We expect to fund about 25 grantees with this \$5 million increase, and will continue this effort in FY 2011.

#### *Uniformed Services Employment and Reemployment Rights Act (USERRA)*

VETS is not only an employment and training agency; it is also a worker protection agency with a vital role in enforcing the employment and reemployment rights for uniformed servicemembers.

VETS recently completed an assessment of USERRA in order to increase responsiveness to Veterans. Through this assessment we will move towards more consistent and high standards in our investigations, and determine other steps to improve the program and its outcomes.

We have also begun work on an electronic case management system to improve efficiency by eliminating unnecessary paper-work in our investigations. Access to this system will be shared with our Federal enforcement partners.

Finally, we are also working closely with the Office of Personnel Management to ensure that the Federal Government serves as model employer in carrying out the provisions of USERRA.

#### *Increased Engagement with Employers*

In addition to improving current programs, VETS is working on new efforts to highlight the value of hiring Veterans to the private sector and making the Veterans hiring process more convenient and efficient.

There is tremendous opportunity for increased engagement with private employers and VETS is working with them and their organizations to enlist their advice and support:

- On November 12, 2009, Secretary Solis and VETS participated in a major outreach initiative to promote Veterans' hiring sponsored by the U.S. Chamber of Commerce. The goal is to form a link between local private sector employers and the Veterans who are looking for employment through the One-Stop Career Centers. This event was an important first step in developing a partnership with the Chamber and as a result each of VETS' 52 State directors are now reaching out to regional and local Chambers of Commerce.
- Last month, DOL's Assistant Secretary for Disability Employment Policy, Kathy Martinez, and I facilitated a discussion with 50 human resources personnel at Chamber headquarters and, later this Spring, Secretary Solis will be having a similar discussion with 25 CEOs.
- VETS is in the process of developing relationships with other important business associations, such as the Executive Leadership Council, Business Executives for National Security, business roundtables, economic development boards and high-tech associations.

#### *Job Corps*

In addition to working with the private sector and other Federal Government partners, VETS is working with other agencies within DOL. For example, we're developing a program with Jobs Corps to encourage transitioning servicemembers to enroll in Job Corps training.

The program will provide Veterans with the academic, career technical and social skills they need to become employable and independent in the civilian labor force. Residential and training space has been set aside at three Job Corps sites. In the pilot, a total of 300 Veterans will be chosen from selected TAP sites across the country to participate in this program and receive training in various fields including, advanced manufacturing, automotive repair, construction, finance, business, health care, homeland security, hospitality and culinary arts, information technology, renewable resources, retail sales and transportation.

#### *Targeted Populations*

There are several populations of Veterans who have historically been underserved whom VETS is developing additional tailored programs for, including Native American Veterans and Veterans who are wounded, injured, or ill.

1. To gather input from Native Americans, Secretary Solis hosted a Summit of Tribal Leaders at DOL that VETS participated in, where the problems facing Native American Veterans in finding good jobs were discussed. Furthermore, VETS has recently completed a study on the employment needs of Native American Veterans living on tribal lands, which should be released within 2 months, and will also be participating in a number of additional Native American outreach events in 2010.
2. To help the brave heroes who are wounded, ill or injured find good jobs VETS has two special initiatives:
  - a. The Recovery and Employment Assistance Lifelines (REAL Lifelines) provides one-on-one services to our wounded warriors to ease their transition into civilian employment. We have special REAL Lifelines coordinators stationed at military treatment facilities on a full-time basis who provide services to wounded, injured, or ill personnel on those bases and at other nearby facilities.
  - b. America's Heroes at Work (AHAW) is a joint initiative with DOL's Office of Disability Employment Policy. AHAW is an outreach and anti-stigma campaign that educates America's employers about the simple on-the-job accommodations and steps they can take to help Veterans with post-traumatic stress disorder and/or traumatic brain injury to excel in their careers. This program is the result of strong collaboration with DoD, VA and other Federal agencies and stakeholders.

#### ***Veterans' Green Energy Jobs Initiative***

VETS also is working to prepare Veterans for the jobs of tomorrow and so in July 2009, we awarded 17 competitive grants under the Veterans' Workforce Investment Program, totaling \$7.5 million to help train approximately 3,000 Veterans for jobs in green energy occupations. Fields of employment include energy efficiency, renewable energy, modern electric-power development and clean vehicles. This program will help Veterans overcome employment barriers and ease their transition into this growing industry. For FY 2010 we received an increase of \$2,000,000, and plan to award up to an additional four grants in July, and will continue this program at that same funding level in FY 2011.

#### ***Federal Employment***

I know that your Committee is also interested in Veterans employment within the Federal Government. BLS Deputy Commissioner Rones will offer more details on that subject but I can say that according to OPM Veterans made up 25.5 percent of the Federal workforce for both fiscal years 2007 and 2008.

(Source: United States Office of Personnel Management Employment of Veterans in the Federal Executive Branch Fiscal Year 2008)

VETS is also leading the effort to implement Executive Order 13518 *Employment of Veterans in the Federal Government*, which President Obama signed on November 9, 2009. This order establishes a Council on Veterans' Employment co-chaired by Secretaries Shinseki and Solis with the Director of OPM serving as Vice Chair. The overall goal is to increase the number of Veterans in the Federal workforce. Additionally, agencies are required to establish a Veterans Employment Program office, or designate an agency officer or employee with full time responsibility for its Veterans Employment Program. A new Web site has been created [www.fedshirevets.gov](http://www.fedshirevets.gov).

The Council has developed a Strategic Plan and established three work groups to cover skills development and employment, marketing Veterans suitability for employment, and providing information to Federal hiring managers. VETS has a representative on all three groups and chairs the Skills Development and Employment group.

#### ***Conclusion***

Thank you for the opportunity to present some of what we're doing at VETS. We will continue working tirelessly, passionately and innovatively to help our Veterans and transitioning servicemembers create meaningful lives, rewarding careers and become productive citizens and leaders in their communities.

---



**Prepared Statement of Christine M. Griffin, Deputy Director,  
U.S. Office of Personnel Management**

Good afternoon, Chairwoman Herseth Sandlin, Ranking Member Boozman, and Members of the Subcommittee. Thank you for inviting me to this important hearing on the status of veterans' employment and the role of the U.S. Office of Personnel Management (OPM) within it. As a veteran of the United States Army, having served on active duty from 1974–1977, I understand the importance of making sure that our veterans are able to find and retain jobs.

***Governmentwide Recruitment and Retention of Veterans***

Ensuring that veterans have full access to Federal civilian jobs following their separation from military service is one of the highest priorities of Director John Berry and myself; it is also at the very core of OPM's mission: *To recruit, retain and honor a world-class workforce to serve the American people.* President Obama reinforced our commitment to veterans' employment when he signed Executive Order 13518 last November. This order established the Veterans Employment Initiative, which will guide this Administration's efforts to reinvigorate the recruitment and retention of veterans in the Federal workforce.

The Executive Order cemented a partnership among the Departments of Defense, Labor, Veterans Affairs, Homeland Security, and OPM and directed Federal agencies to enhance employment opportunities for veterans employed in the executive branch. Our partners in this initiative employ nearly 80 percent of all veterans in the Federal workforce. As we looked more closely at the government-wide veteran employment numbers, we realized there are pockets of excellence in the recruitment and employment of veterans that can benefit other Federal agencies. By leveraging the practices of successful agencies, the Government will increase its effectiveness in recruiting, on-boarding, and providing career counseling to veterans seeking Federal employment. As part of this effort, OPM is collaborating with the Department of Veterans Affairs (VA) Vocational Rehabilitation and Employment (VR&E) Program.

The Executive Order also established an Interagency Council on Veterans Employment (the Council), co-chaired by the Secretaries of Labor and Veterans Affairs, with the Director of the Office of Personnel Management serving as Vice-Chair. The Council members also include a number of other agencies, and the President may designate other members. The Council had its inaugural meeting in December 2009 to outline the responsibilities under the Executive Order, affirm its commitment to enhance the employment of veterans in the Federal Government, and to chart a strategic course forward.

On January 29, 2010, OPM released *The Governmentwide Veterans' Recruitment and Employment Strategic Plan for FY 2010–FY 2012*. The Strategic Plan focuses on aggressively breaking down barriers to veterans' employment by using a number of strategies focused on the following four areas:

*Leadership Commitment*—establishes a governance structure and infrastructure dedicated solely to the employment of veterans in the Federal Government.

*Skills Development and Employment*—focuses on providing employment counseling and aligning the talents and aspirations of veterans and transitioning servicemembers with civil service career opportunities.

*Marketing Veterans' Employment*—creates a marketing campaign, aimed at (1) highlighting for veterans and transitioning servicemembers the benefits of continuing their careers with the Federal civil service and (2) raising awareness among hiring officials of how veterans can meet demands for needed skills in their organizations.

*Information Gateway*—creates a single-source Web site for disseminating accurate and consistent veterans' employment information and resources for veterans, human resources professionals, and hiring officials.

In addition, OPM established a Veterans Employment Program Office to provide Governmentwide leadership on the Veterans Employment Initiative and launched the comprehensive veterans' employment information gateway [www.fedshirevets.gov](http://www.fedshirevets.gov). Veterans now have a formal employment advocate in the 24 Federal agencies identified in the Executive Order.

***Impact of Veterans Preference***

Veterans' preference recognizes the economic loss often suffered by citizens who have served, restores veterans to a favorable competitive position for Government

employment, and acknowledges the larger obligation we owe to disabled veterans. The Executive branch of the Federal Government is the Nation's leading employer of veterans. Over half a million veterans are employed today in agencies across the country and around the world. Approximately 25 percent of, or one of every four, current Federal employees is a veteran. In comparison to the private sector, the Federal Government hires three times the percentage of veterans, seven times the percentage of disabled veterans, and 10 times the percentage of severely injured veterans. Each year we continue to see an increase in the number of veterans employed by the Federal Government. In FY 2007 there were 462,744 veterans out of 1,811,459 total employees. Again in FY 2008, the number of veterans rose to 481,223 out of 1,886,720 total employees, and our most recent numbers show that the number of veterans rose to 512,671 out of 1,986,005 total employees in FY 2009.

Not only is hiring veterans the right thing to do, it also makes good business sense. The Government invests significant resources in the training and development of military service personnel. Acting aggressively to retain transitioning military service personnel within the Federal Government helps maximize our return on this investment. As noted in the Executive Order, veterans possess a wide variety of skills and experiences, as well as a dedication to public service, that can be of enormous benefit to the Government as an employer. The Government has a number of skills gaps these individuals can fill immediately, thereby reducing overall training costs and accelerating productivity.

#### *Use of Hiring Authorities*

In FY 2009, the Veterans Employment Opportunities Act (VEOA) accounted for the largest number of veterans hired in the Federal Government (20,214), followed by the Veterans Recruitment Act (6,659), and the 30 percent or more disabled veterans (1,729) hired through various authorities. Under the Executive Order, OPM is aggressively pursuing a program aimed at educating hiring managers on the strategic use of the various hiring authorities that can be used for veterans. OPM is also working with VA to educate agencies on the strategic hiring of veterans who have participated in a VA Vocational Rehabilitation and Employment program under 38 U.S.C. Chapter 31.

#### *Federal Career Intern Program*

The Federal Career Intern Program (FCIP) was established by Executive Order in 2000 to help agencies recruit exceptional individuals and to prepare them for careers in analyzing and implementing public programs. FCIP is a training and development program, generally of 2 years' duration, that agencies utilize to groom subject matter experts in a variety of jobs. Agencies are required to develop 2-year formal training and job assignment programs for each career intern. Upon successful completion of the 2-year internship, agencies have the option of bringing the interns into their permanent workforce.

Since the program's inception in 2000, agencies have steadily increased their hiring through the FCIP. This trend may be partly attributable to agency succession planning efforts to address the retirement wave that was anticipated at that time.

It is important to note that veterans' preference applies to the selection of career interns under the FCIP. Veterans' preference has long been a cornerstone of the civil service. Accordingly, when OPM issued guidance implementing the FCIP, agencies were made aware of the applicability of this important entitlement when hiring under this program. Since this program was created, OPM has not been aware of any systemic abuses or violations with respect to the application of veterans' preference to the FCIP. Practices concerning how an agency pursues a request to "pass over" a preference eligible with a compensable, service-connected disability of 30 percent or more were recently modified, through OPM guidance, to ensure full compliance with controlling case law.

The table below shows the number of FCIP hires in each of the last 9 fiscal years; including how many of these were preference eligibles.

Fiscal Year									
	01	02	03	04	05	06	07	08	09
<b>Total FCIP Hires</b>	411	2871	5674	6676	10297	11929	16706	24431	26709
<b># Pref eligibles</b>	17	167	379	507	757	1266	2336	3114	2902

Fiscal Year									
	01	02	03	04	05	06	07	08	09
% Pref eligibles	4.1	5.8	6.6	7.5	7.3	10.6	13.9	12.7	10.8

Our data shows that the percentage of FCIP hires that were preference eligibles has increased significantly since 2001, the first full year for which we have data. However, it is still well below the percentage of the overall Federal workforce represented by veterans. OPM is currently conducting a comprehensive review of the FCIP as part of an overall hiring reform initiative.

### ***Conclusion***

Madam Chairwoman, in addition to preserving and protecting veterans' preference, OPM is aggressively dismantling any barriers that limit the entry or success of veterans or transitioning servicemembers in civil service. We are proud of our efforts to fulfill the President's vision to increase the number of veterans employed by the Federal Government.

I would be happy to answer any questions you or other Subcommittee Members may have.

---

### **Prepared Statement of Willie Hensley, Principal Deputy Assistant Secretary, Human Resources and Administration, U.S. Department of Veterans Affairs**

Madam Chairwoman and Members of the Subcommittee—good afternoon. Thank you for your invitation to appear before you today to offer testimony on the status of Veteran Employment efforts within the Department of Veterans Affairs' (VA).

Every day at VA we serve Veterans who have sacrificed to defend and support this country. The Department fully supports the laws that place Veterans, and particularly disabled Veterans, in a favorable competitive position for Government employment. We believe that affording Veterans a statutory preference in employment is not merely the obligation of a grateful Nation; it is good government and good business. It gives us an advantage in recruiting and retaining employees from a pool of the Nation's most highly motivated, disciplined, and experienced candidates.

As of March 31, 2010, over 90,000, or just under 30 percent of VA's 301,891 employees are Veterans. Over 74,000 of these employed Veterans are preference eligible, and 26,366 are disabled. VA ranks first among non-Defense agencies in the number of Veterans hired.

VA's success in attracting and hiring Veterans is due in great part to the work of our staff offices and administrations and, especially, the Veterans Employment Coordination Service (VECS). This program, created in 2007, has successfully built on lessons learned from previous efforts dating back to 2001 when VA established its first National Veterans Employment program. VECS operates from within the Office of Human Resources Management and leads the Department's efforts to attract, recruit, and hire Veterans nationwide, particularly severely injured Veterans from Operation Enduring Freedom and Operation Iraqi Freedom (OEF/OIF). VECS staffs Regional Veterans Employment Centers located in Seattle, WA, San Diego, CA, Denver, CO, San Antonio, TX, Augusta, GA, Louisville, KY, Fayetteville, NC, New York, NY and Washington, DC. This team of 9 Regional Veteran Employment Coordinators (VECs) works closely with over 200 local collateral duty VECs situated at VA facilities across the country to assist Veterans seeking employment with VA. These dedicated regional and local coordinators also serve as advocates for Veterans—coordinating with VA's human resource professionals—working to raise awareness of Veteran specific appointment authorities and reinforcing with hiring managers the VA's commitment to increase Veteran employment throughout the Department.

We also are proud of the leadership role VA has played and continues to play—along with our partners at the Departments of Labor and Defense, the Office of Personnel Management (OPM), and other key agencies—in the creation and work of the Interagency Council on Veterans Employment. The Council was established by the President's Executive Order on Employment of Veterans in the Federal Government. Through VA's participation on the Council, we have shared our success with the VECS program as a best practice.

OPM references VECS as a model for establishing Veterans' employment offices within other Federal departments. As a result of the recent Executive Order, OPM routinely refers agencies to us as they establish their Veteran Employment program offices. To date, we have shared our experiences with several other agencies, such as the Departments of State and of Commerce, as well as the National Aeronautics and Space Administration, and the Environmental Protection Agency.

VA regularly uses special appointment authorities, e.g., Veterans Recruitment Appointment, Veterans Employment Opportunities Act appointment, and 30 percent compensable disabled Veteran appointment, to hire Veterans. VA aggressively hires Veterans using other appointment authorities as well. During fiscal year (FY) 2009, VA hired 11,588 preference eligible Veterans and another 1,009 non-preference eligible Veterans.

The success of VA outreach and recruiting strategy has enabled us to maintain the high percentage of Veterans in our workforce—approximately 30 percent for the last year—even as high numbers of Vietnam Era Veterans are increasingly eligible to retire from the Department.

While we are hiring Veterans in sufficient numbers to replace those retiring, we are employing new strategies to market VA jobs to Veterans and Servicemembers so that Veteran applicants have a better sense of VA's organization and operations and can more effectively match their skill set to potential employment opportunities. Finally, we have placed a renewed emphasis on training and career counseling. Our approach has been to "mine" lessons learned from the successful initiatives implemented in each of our administrations, examine statistics within each region to assess where to focus our training and awareness efforts, and instill a recommitment from the top on down to hire and retain Veterans. In addition, we are looking at ways to improve how we reintegrate employees who return to VA jobs after deployment.

#### **Employment Outreach Efforts**

It is estimated that on any given night there are over 107,000 Veterans who are homeless and many more who are at risk of homelessness; some of these are Veterans returning to civilian life after service in OEF/OIF or other areas of the world. Employment outreach is part of Secretary Shinseki's commitment to end the cycle of homelessness among Veterans.

**As mentioned earlier, there are a number of** hiring authorities available to promote employment of Veterans. However, many who are homeless do not meet the requirements for employment as disabled Veterans or preference eligibles. Consequently, they are not able to take full advantage of some Veteran focused employment efforts. Further, the fact that a Veteran is homeless generally means that he or she cannot:

- Present himself or herself to prospective employers in a credible fashion;
- Commute to interviews or worksites;
- Access computers, State employment services offices, libraries, etc., to find employment opportunities; or,
- Dedicate time to anything other than to the basic effort to survive.

To address this need, VA will work with its partners on the Interagency Council on Veterans Employment to leverage existing authorities and identify new strategies that will enable Federal agencies to hire homeless Veterans for Federal civilian positions for which they are qualified.

Employing a homeless Veteran does not result in any additional costs to the Federal Government. However, as homeless Veterans return to the workforce, we would expect this change to generate significant savings not only to the Federal Government but also to the State and local governments.

Staff from VA's National Cemetery Administration (NCA) attend, speak, and exhibit at more than 40 major outreach events and hundreds of smaller, local, outreach opportunities around the country every year. NCA uses these opportunities to recruit Veterans for employment at VA. NCA has also benefitted from the services provided by VECS, which consistently refers quality candidates to fill NCA positions. VECS offers top-quality, motivated candidates, which saves hiring managers time in filling positions, and provides an "express lane" to Veteran employment with NCA. NCA has had great success with this program. Through referrals from VECS, NCA has hired 116 OEF/OIF Veterans to its workforce since the beginning of 2009.

Retention of employees is also a priority within NCA. In order to improve core competencies and explore new areas for the growth and development among its Veteran employees, NCA developed the NCA Leadership Institute, the Cemetery Director Intern Training Program, and other specialized in-person training opportunities located at the NCA National Training Center in St. Louis, Missouri.

The Veterans Health Administration (VHA) is currently piloting a National Recruitment Initiative (NRI) to supplement the general recruiting practices conducted at individual VA medical centers nationwide. As part of this initiative, VHA has broadened its efforts to reach out to clinicians with prior military experience. The pilot program is staffed by 8 retired military health care recruiters who are involved in an array of activities that range from participating in briefings for military residents to identifying military practitioners through the Federal Practitioners Directory. NRI staff also attend local Transition Assistance Program briefings and partner with a variety of organizations that associate with health care professionals who have prior military service. Each year, VHA sends representatives to the Association of Military Surgeons of the United States' annual conference where they market employment opportunities in VHA. VHA also has created a recruitment brochure specifically marketed to Veterans. The brochure is distributed to military offices across the country and is available online.

#### **Vocational Rehabilitation and Education (VR&E) Service Provides Support to Veterans Pursuing Education Benefits**

Chapter 36 Educational and Vocational Counseling Services can be provided to transitioning Servicemembers within 6 months of discharge from active duty or within 1 year following discharge from active duty. Eligibility for this service is based on having eligibility for one of the other educational benefits programs under title 38, United States Code. Counseling services provided under Chapter 36 are designed to help the Servicemember or Veteran choose a vocational direction and determine the course needed to achieve the chosen goal. This service also can facilitate a seamless transition from active duty military to Veteran status. Specifically, by completing interest and aptitude testing, initiating occupational exploration, and setting occupational goals under Chapter 36, the Veteran will be well positioned to begin a training and rehabilitative program under Chapter 31 of title 38.

VR&E Employment Coordinators work directly with their local regional office managers in each business line to stay informed of job vacancies and refer qualified Veterans for direct hires when appropriate. They also coordinate with VECS employment coordinators across the Nation. In FY 2009, VA Central Office hired 700 Veteran graduates of the VR&E program—4 in NCA, 302 in VHA, and 394 in VBA.

The VA's VetSuccess on Campus pilot program was created to ease the transition of Servicemembers to Veteran status and ensure the coordinated delivery of benefits and services to Veteran-students. The program provides outreach and transition services to the general Veteran population during their transition from military to college life. The mission of the VetSuccess on Campus Veteran Recruitment Center (VRC) is to liaison with VA certifying officials, perform outreach, and communicate with Veteran-students to ensure their health, educational, and benefit needs are met, enabling them to stay in college to completion of their degrees. The VRC provides vocational testing, career and academic counseling, and adjustment counseling to resolve problems interfering with completion of education programs and entrance into employment. The VRC also assists Veterans with information about other VA benefits. The Vet Center Outreach Coordinator provides peer-to-peer counseling and referral services as needed. Currently, the pilot program has been expanded from the University of South Florida to two additional sites, Cleveland State University, and San Diego State University.

Every day at VA, we see firsthand the sacrifice that our Veterans have made for our Nation. It is our responsibility and privilege to support their return to meaningful employment. Through continued hard work and dedication, we are committed to continuing our successful focus on Veteran hiring in VA. The attached appendix provides additional specifics about the status of Veterans employment in VA.

Madam Chairwoman, thank you again for the opportunity to testify today. I am prepared to respond to any questions Members may have.

#### **Appendix—Veteran Employment in the Department of Veterans Affairs**

This data was extracted from the Department of Veterans Affairs (VA) personnel-payroll system as of February 28, 2010

##### *How many Veterans and/or disabled Veterans applied for jobs at VA?*

While VA currently does not have a Department-wide automated system that captures data on applicants for all VA positions, we can provide a count of applications VA processed in 2007 under its delegated authority to announce title 5 competitive positions to the general public. The 177,555 applications received under these delegated examining announcements resulted in 3,706 selections, of which 1,056 or 28.5 percent of the selectees are preference eligibles.

Over the next 2 years, VA is aggressively expanding its use of the automated USA Staffing system, which will enable us to capture more fully data on Veterans' preference and other applicants.

*What authorities are used most often by VA to hire Veterans?*

The following are the authorities most often used:

VETERANS EMPLOYMENT OPPORTUNITY ACT (VEOA)  
DELEGATING EXAMINING UNIT (DEU)  
TITLE 38 USC  
VETERANS RECRUITMENT APPOINTMENT (VRA)

*How many vets were hired through each of the various hiring authorities at VA? (See last page)*

In the first 6 months of FY 2010, VA hired 16,179 employees, of whom 5,184 or 32.0 percent are Veterans. Two thousand and seventy-four (2,074) of these Veterans have earned 10-point disability preference for Federal jobs, including 1,341 who have 30 percent or higher service-connected disabilities, and another 547 who have disability ratings below 30 percent but high enough to warrant VA compensation. VA also appointed 59 others entitled to 10-point Veterans' preference based on derived preference as the wife or mother of a permanently, totally disabled Veteran, or widow or widower of a servicemember who died in a war or campaign-badged military action.

The Veterans Employment Opportunities Act (VEOA) authority for appointing honorably discharged Veterans with 3 years military service and Veterans and others entitled to Veterans' preference accounts for 2,115, or 8.8 percent, of the total hires from 2007 to date.

Another 769 Veterans, or 3.2 percent of the total hires, were hired under the expected Veterans Recruitment Appointment (VRA) authority.

VA also appointed 37 disabled Veterans under the non-competitive hiring authority for disabled Veterans with 30 percent or higher service-connected disabilities.

*What percentage of your employees are Veterans and or disabled vets?*

• Non-preference Veterans	215,836 = 5.2 percent
• 5-point Veterans' preference (vp) eligible Veterans	48,003 = 15.9 percent
• 10-point vp disabled Veterans	2,293 = 0.8 percent
• 10-point vp compensably disabled Veterans	7,668 = 2.5 percent
• 10-point vp 30% compensably disabled Veterans	16,329 = 5.4 percent
• Total for combined 5 categories above	90,129 = 29.8 percent

(VA Total Population 301,891)

*In what area of work are most Veterans employed at VA?*

Over half of VA's Veteran employees (53%) are in the following 10 occupations which are located within VHA and VBA:

Housekeeping Aides  
Nurses  
Veteran Service Reps  
Food Service Workers  
Medical Support Specialists  
Program Support Specialists/Assistants  
Police Officers  
Social Workers  
Patient Services Assistants  
IT Specialists

*What percentage of your employees in GS 9 and above are Veterans?*

VA has 85,596 employees at GS-9 and above, including 24,579 Veterans or 28.7 percent. We note that many higher-level positions in VA require advanced degrees and professional certifications or registrations. Since VA does not have a comprehensive applicant count, the number of Veterans who have applied for such professional positions is unknown. We can state that VA employs 84,316 physicians, dentists, chiropractors, nurse anesthetists, registered nurses, podiatrists, optometrists, physician assistants, and expanded function dental auxiliaries, and 11,229 or 13.3 percent of them are Veterans.

## MATERIAL SUBMITTED FOR THE RECORD

U.S. Department of Labor  
Bureau of Labor Statistics  
Washington, DC.  
May 3, 2010

Honorable Stephanie Herseth Sandlin  
Chairwoman, Subcommittee on Economic Opportunity  
House Committee on Veterans' Affairs  
House of Representatives  
335 Cannon House Office Building  
Washington, DC 20515

Honorable John Boozman  
Ranking Republican Member, Subcommittee on Economic Opportunity  
House Committee on Veterans' Affairs  
House of Representatives  
335 Cannon House Office Building  
Washington, DC 20515

Dear Chairwoman Sandlin and Ranking Member Boozman,

On April 15th I testified at a hearing you held in the Veterans Affairs Subcommittee on Economic Opportunity regarding the status of veterans employment. During my testimony, there were two questions—one asked by Congressman Bilirakis and one asked by Congressman Teague—that I was unable to respond to because they related to information that isn't tracked or gathered by BLS. After the hearing, I instructed my staff to direct these questions to the appropriate agency so I could provide the requested information, which follows below:

Congressman Bilirakis asked if veterans separating from military service automatically qualify for unemployment benefits in all 50 States.

The Department of Labor's Employment and Training Administration (ETA) administers the Federal Government's role in the unemployment compensation program and is the appropriate agency to respond to this inquiry. After reviewing Congressman Bilirakis' question, ETA staff provided the following response:

*Individuals leaving military service do not "automatically" qualify for Unemployment Compensation for Ex-Servicemembers (UCX). An ex-service member must have been honorably separated from the military and must have completed his or her full term of service to qualify for UCX. In general, individuals must have served on active duty. For National Guard members and reservists, active duty must be 90 continuous days or more.*

*Except where inconsistent with Federal law, UCX benefits are paid under the same conditions that apply to individuals covered under the unemployment compensation law of the State where the UCX claim is filed. This means individuals must be able to work and available for work, and in most States actively seeking work.*

Congressman Teague asked whether better information about the employment characteristics of returning female servicemembers could be made available by analyzing data gathered by the national unemployment insurance system.

ETA, because it administers the Federal Government's role in the unemployment compensation program, is the appropriate agency to answer this question as well. After reviewing Congressman Teague's question, ETA staff responded: "The Employment and Training Administration does not collect gender or other demographic data for purposes of the Unemployment Compensation for Ex-Servicemembers (UCX) program."

We hope this information is helpful to you and your members. Please let me know if there is other information that BLS can provide.

Sincerely,

Philip L. Rones  
Deputy Commissioner

**Congressional Research Service**  
**Library of Congress**  
**CRS Report for Congress, #RS22440**  
***Unemployment Compensation (Insurance) and Military Service***  
 By Julie M. Whittaker, Specialist in Income Security,  
 Congressional Research Service  
 April 22, 2010

### Summary

The Unemployment Compensation (UC) program contains several provisions relevant to current and former military service personnel and their families. The UC program does not provide benefits for military servicemembers on active duty. However, former active duty military personnel (and certain reservists) separated from active duty may be eligible for Unemployment Compensation for Ex-Servicemembers (UCX).

Spouses of military service personnel who voluntarily quit a job to accompany their spouses on account of a military transfer may be eligible for UC benefits, based on the laws of the State where the civilian spouse was employed.

Military service of business owners, employees, and employees' spouses may impact the State unemployment tax rate that certain employers face. States may choose to create provisions that remove or limit these tax increases in certain situations.

Individuals should contact their State's unemployment agency to obtain information on how to apply for and receive unemployment benefits based upon military service. The U.S. Department of Labor maintains a Web site with links to each State's agency at <http://www.workforcesecurity.doleta.gov/map.asp>.

This report will be updated as events warrant.

### Contents

- Unemployment Compensation Benefit Eligibility for Former Military Personnel
  - UCX Eligibility and Benefit Level
    - Self-Employed and Sole Proprietor Ex-Servicemembers
  - UCX Financing
  - Civilian Spouses Who Quit Employment Because of Military Spouse Transfers
    - Transferred Spouse Exception (Unconditional on Military Service).
    - Military Spouse Exception
  - Impact of Military Service on Employers' State Unemployment Taxes

### Tables

Table 1. Unemployment Compensation Benefit Eligibility for Workers Who Voluntarily Quit Because of a Spousal Transfer

### Contacts

Author Contact Information

### Unemployment Compensation Benefit Eligibility for Former Military Personnel

Unemployment Compensation for Ex-Servicemembers (UCX)<sup>1</sup> provides income support while former active duty military personnel or reservists<sup>2</sup> released from active duty search for work. The Emergency Unemployment Compensation Act of 1991 (P.L. 102-164) provides that ex-servicemembers be treated the same as other unemployed workers with respect to benefit levels, the waiting period for benefits, and benefit duration.<sup>3</sup>

Once entitlement to regular unemployment benefits are exhausted, ex-servicemembers may qualify for both Emergency Unemployment Compensation (EUC08) and the Extended Benefit (EB) payments.<sup>4</sup> All benefits (UCX, EUC08, and EB) are

<sup>1</sup>Established by the Ex-servicemen's Unemployment Act of 1958 (P.L. 85-848, 5 U.S.C. §§ 8521-8525) in 1958.

<sup>2</sup>In this report, the terms *reserves* or *reservists* include the Army and Air National Guard and their servicemembers.

<sup>3</sup>Previously, in 1982, Congress had placed restrictions on benefits for ex-servicemembers (P.L. 97-362). In addition to a number of restrictive eligibility requirements, ex-servicemembers were required to wait 4 weeks from the date of their separation from the service before they could receive benefits. The maximum number of weeks of benefits an ex-servicemember could receive based on employment in the military was 13 (as compared with 26 weeks under the regular UC program for civilian workers).

<sup>4</sup>For information on the EUC08 benefit, see CRS Report RS22915, *Temporary Extension of Unemployment Benefits: Emergency Unemployment Compensation (EUC08)*, by Katelin P. Isaacs, Julie M. Whittaker, and Alison M. Shelton. For information on the Extended Benefit program,



temporarily augmented by the weekly \$25 Federal Additional Compensation (FAC) payment.

The Federal Government funds these benefits through the transfers from the appropriate military services' budgets<sup>5</sup> to the Unemployment Trust Fund<sup>6</sup> (UTF) to reimburse the appropriate states for the UCX benefits distributed to unemployed ex-servicemembers. For the 12 month period ending March 2010, approximately \$1,185 million in unemployment benefits (UCX, EUC08, EB, and the \$25 FAC) were distributed to former military personnel.

Military personnel on active duty do not qualify for regular State Unemployment Compensation (UC) or UCX benefits because they are considered to be working.

#### **UCX Eligibility and Benefit Level**

Ex-servicemembers generally apply for UCX benefits in the State where they are searching for employment. UC eligibility criteria and benefits vary by State. The ex-servicemembers must meet the same criteria that civilian workers are required to meet for their UC benefit eligibility. Thus, two ex-servicemembers with the same earnings and work history may qualify for different amounts of benefits if they file for UCX in different States. The equivalent military measurement of wages and time in service are used to determine eligibility and benefit levels.<sup>7</sup>

If the ex-servicemember was originally in the active duty military, he or she must have left military service under honorable conditions and either completed a full term of service or have been released early under a qualifying reason. If the ex-servicemember was a reservist formerly on active duty, he or she must have been on active duty for at least 90 continuous days. UCX benefits are not payable during periods in which the ex-servicemember is eligible to receive certain allowances or educational assistance allowances from the Survivors' and Dependents' Educational Assistance Program or the Department of Veterans' Affairs Vocational Rehabilitation and Education Program. Participation in the Montgomery GI bill does not preclude receipt of UCX benefits; however, having student status does limit UC benefit eligibility in most States and these limitations would extend to those workers receiving UCX benefits. Many States exclude workers while they attend school and some States include vacation periods in that exclusion.

#### **Self-Employed and Sole Proprietor Ex-Servicemembers**

When an ex-servicemember was previously self-employed or was a sole-proprietor, the worker would have been excluded from receiving UC benefits. After active duty, if the ex-servicemember is unemployed, the ex-servicemember would qualify for UCX benefits based on military service. However, most States require that the worker be searching for employment and would not cover a worker who was reestablishing self-employment or a small business.<sup>8</sup>

see CRS Report RL33362, *Unemployment Insurance: Available Unemployment Benefits and Legislative Activity*, by Julie M. Whittaker, Alison M. Shelton, and Katelin P. Isaacs.

<sup>5</sup>For example, if a former naval officer claimed UCX benefits, the Navy would transfer funds into the UTF to pay for those benefits.

<sup>6</sup>For details on the Unemployment Trust Fund, see CRS Report RS22077, *Unemployment Compensation (UC) and the Unemployment Trust Fund (UTF): Funding UC Benefits*, by Julie M. Whittaker and Kathleen Romig.

<sup>7</sup>The State in which the former servicemember files for a claim determines the UCX benefit level and duration. The weekly and maximum amounts of UCX payable to an individual under the UCX program are determined under the applicable State laws. The UCX benefit is required to be the same amount, on the same terms, and subject to the same conditions as the State UC that would be payable to the individual under the applicable State law. The individual's Federal military service and Federal military wages are assigned or transferred as employment and wages covered by that State law, subject to the use of the applicable Schedule of Remuneration. That is, for claims purposes, military wages are determined by the pay grade at separation from military service. A wage table is provided by the Federal Government to calculate the equivalent civilian wages for each military pay grade.

<sup>8</sup>An exception to this are those States that offer a Self-Employment Assistance (SEA) program. Eight States have active SEA programs: Delaware, Maine, Maryland, New Jersey, New York, Oregon, Pennsylvania, and Washington. Individuals enrolled in an SEA program receive weekly allowances. These allowances are the same as the individual's regular unemployment weekly benefit amount. Participants engaged full-time in activities relating to the establishment of a business and becoming self-employed are considered to be unemployed. Provisions of State law relating to availability for work, search for work, and refusal to accept work do not apply to these participants.

### UCX Financing

The UCX benefit is funded by the Federal Government through its Federal account in the Unemployment Trust Fund (UTF).<sup>9</sup> Each State is reimbursed by the Federal Government for each unemployed worker whose base period wages included Federal military wages.

### Civilian Spouses Who Quit Employment Because of Military Spouse Transfers

Civilian spouses who quit their employment because their military spouse was transferred may not qualify for UC benefits. Many State UC programs do not award UC benefits to workers who quit their jobs because a spouse was transferred, deeming this as a “voluntary quit.” The laws of three States (Maryland, Ohio, and Texas) go further and include a specific disqualification for claimants who quit work to relocate with a spouse until certain additional income is generated. However, Maryland and Texas both exempt military spouses from this disqualification.

The disqualification following a “voluntary quit” continues until the claimant returns to work, completes a specified duration of work, and earns wages of a specified amount. In other States, the disqualification is time-limited. These States penalize the worker for quitting, but recognize that economic conditions may be such that even a person who diligently seeks work may find none. The reasoning is that beyond a certain point, if a diligent job seeker is still unemployed, such continuing unemployment is attributable to labor market conditions rather than their decision to quit. Thus, spouses relocating to areas of high unemployment or limited opportunities may become eligible for benefits even if initially disqualified.

### Transferred Spouse Exception (Unconditional on Military Service)

Twenty-three States allow workers who quit because of their spouse’s job transfer to receive UC benefits. Table 1 lists these states, designating them in the column labeled “Spouse Transfer” with a “Y.”

### Military Spouse Exception

In addition to the 23 States allowing UC benefits if a worker quits to accompany a spouse who has been transferred, 15 States have special exceptions for workers who quit to join their transferred military spouse. These exceptions are labeled as “Military only” or “Federal spouse” in Table 1. Thus, a total of 38 States allow the civilian spouse of a transferred military servicemember to receive UC benefits.

**Table 1. Unemployment Compensation Benefit Eligibility for Workers Who Voluntarily Quit Because of a Spousal Transfer**

State	Spouse Transfer	State	Spouse Transfer
Alabama		Montana	Military only
Alaska	Y	Nebraska	Y
Arizona	Y	Nevada	Y
Arkansas	Y	New Hampshire	Y
California	Y	New Jersey	Military only
Colorado	Y	New Mexico	Military only
Connecticut	Y	New York	Y
Delaware	Y	North Carolina	Y
District of Columbia	Military only	North Dakota	
Florida	Military only	Ohio	
Georgia	Military only	Oklahoma	Y
Hawaii	Y	Oregon	Y
Idaho		Pennsylvania	Y

<sup>9</sup> See CRS Report RS22077, *Unemployment Compensation (UC) and the Unemployment Trust Fund (UTF): Funding UC Benefits*, by Julie M. Whittaker and Kathleen Romig, for an explanation of how funds are transferred.

**Table 1. Unemployment Compensation Benefit Eligibility for Workers Who Voluntarily Quit Because of a Spousal Transfer—Continued**

State	Spouse Transfer	State	Spouse Transfer
Illinois	Y	Rhode Island	
Indiana	Y	South Carolina	Military only
Iowa		South Dakota	
Kansas	Y	Tennessee	
Kentucky	Military only	Texas	Military only
Louisiana		Utah	
Maine	Y	Vermont	
Maryland	Military only	Virginia	Military only
Massachusetts	Y	Washington	Y
Michigan	Military only	West Virginia	
Minnesota	Y	Wisconsin	
Mississippi	Military only	Wyoming	Military only
Missouri	Federal spouse only		

**Source:** CRS compilation from *Comparison of State Unemployment Insurance Laws, 2010 (and errata)*, and interim updates, U.S. Department of Labor, Employment and Training Administration, Office of Workforce Security. Additional requirements may be imposed to qualify for these exceptions.

### **Impact of Military Service on Employers' State Unemployment Taxes**

State unemployment taxes are levied on employers based on a combination of established rates and the employer's past history of its workers using the UC system. Generally, employers with a greater history of unemployed workers would have a worse experience rating and would pay higher State unemployment taxes. Military service of business owners or employees may impact the tax rate that certain employers face. Furthermore, if workers who quit to join a transferred military spouse receive UC benefits, this may impact the overall State unemployment tax burden of most, if not all, of the State's employers. Below are some examples of these situations.

- A business owner, if called up for active military service, may need to lay off some or all of the business's workers. Once the business owner returns from military service, the revival of the business may mean that the small business may face a new, higher State unemployment tax rate.
- If the servicemember serves for less than 2 years, some of the worker's UCX benefit may be based on nonmilitary work. (These workers receive a hybrid UC/UCX benefit.) In some States, their former (civilian) employers may face a State unemployment tax increase as a result.
- Workers who quit their jobs and move to accompany their military spouse may receive UC benefits in 38 States. These states do not charge UC benefits to employer accounts when workers voluntarily quit their jobs to accompany a transferred military spouse. The benefits paid to a worker accompanying a military spouse generally would not increase the State unemployment taxes of the worker's former employer. However, these benefits are still charged to the State's account within the UTF. As a result, the cost of the benefits are passed on to the State's employers as a socialized cost and may increase the overall State unemployment tax rate.

States may choose to create provisions that remove or limit these tax increases in certain situations. For example:

- In Illinois, business owners who are called to active duty from the reserve and had to close their firms are not charged for the increases attributable to UC benefits for the workers who lose their jobs on account of the closure. When the business owner returns and reopens his or her business, the business's State unemployment tax rate is not increased.

- In Texas, if an employee was called to active military service but then qualifies for UC benefits, the employer does not face a higher State unemployment tax rate.
- Maine, South Dakota, Montana, Virginia, Washington, and Wyoming provide for the non-charging of benefits for unemployment directly resulting from reinstatement of another employee upon his or her completion of uniformed service duty.

**Author Contact Information**

Julie M. Whittaker  
Specialist in Income Security  
jwhittaker@crs.loc.gov, 202-707-2587

Committee on Veterans' Affairs  
Subcommittee on Economic Opportunity  
Washington, DC.  
*April 20, 2010*

Ms. Christine A. Scott  
Specialist in Social Policy, Income Security Section,  
Domestic Social Policy Division,  
Congressional Research Service  
1101 Independence Avenue SE, stop #7440  
Washington, DC 20540-7440

Dear Ms. Scott:

I would like to request your response to the enclosed questions for the record and deliverable I am submitting in reference to our House Committee on Veterans' Affairs Subcommittee on Economic Opportunity hearing on the *Status of Veterans Employment* on April 15, 2010. Please answer the enclosed hearing questions by no later than Tuesday, May 18, 2010.

In an effort to reduce printing costs, the Committee on Veterans' Affairs, in cooperation with the Joint Committee on Printing, is implementing some formatting changes for material for all full Committee and Subcommittee hearings. Therefore, it would be appreciated if you could provide your answers consecutively on letter size paper, single-spaced. In addition, please restate the question in its entirety before the answer.

Due to the delay in receiving mail, please provide your response to Ms. Orfa Torres by fax at (202) 225-2034. If you have any questions, please call (202) 226-5491.

Sincerely,

Stephanie Herseth Sandlin  
*Chairwoman*

JL/ot

**Congressional Research Service**

**Memorandum**

May 11, 2010

**To:** Honorable Stephanie Herseth Sandlin Attention: Orfa Torres  
**From:** Christine Scott, Specialist in Social Policy, ext 7-7366  
**Subject:** Questions for the Record and Deliverables Related to the Hearing on the Status of Veterans Employment

This memorandum is in response to your request of April 20, 2010 for a submission answering two questions for the record, and providing two deliverables, related to the April 15, 2010 hearing of the Committee on Veterans Affairs, Subcommittee on Economic Opportunity on the status of veterans employment.

### Questions for the Record:

1. Under the hiring authority Veterans Recruitment Appointment, are veterans most often under the competitive or non-competitive appointment?

The Office of Personnel Management (OPM) has stated that all of the 6,360 appointments in FY 2009 using the Veterans Recruitment Appointment (VRA) were permanent appointments in the excepted service.<sup>1</sup>

Federal jobs fall into three categories: (1) competitive service; (2) excepted service; and (3) Senior Executive Service. *Competitive service* jobs are under OPM's jurisdiction and subject to the civil service laws passed by Congress to ensure that applicants and employees receive fair and equal treatment in the hiring process. *Excepted service* positions are excepted by law, executive order, or by OPM action placing a position or group of positions in excepted service (Schedules A, B, or C). For example, agencies such as the U.S. Postal Service and the Central Intelligence Agency are excepted by law. In other cases, certain jobs or classes of jobs in an agency are excepted by OPM. This includes positions such as attorneys, chaplains, student trainees, and others. The Senior Executive Service (SES) was established by Title IV of the Civil Service Reform Act (CSRA) of 1978. The SES was set up completely separate from the competitive and excepted services. The SES joins top management positions in a unified and distinct personnel system that provides for agency authority and flexibility. SES positions are classified above GS-15 or equivalent.

2. You discuss a new Department of Labor pilot program known as America's Heroes at Work. Do you have any preliminary information on the program?

The Employment Pilot was undertaken to determine which strategies may work best in assisting veterans with post-traumatic stress disorder (PTSD) and traumatic brain injury (TBI) in finding and retaining employment. At the end of the pilot program, the America's Heroes at Work program began implementing some of their recommendations such as providing fact sheets to employers and veterans with PTSD and TBI. The fact sheets providing information on issues such as dealing with PTSD and TBI in the workplace, and other information for employers and veterans related to employment can be found on the Web site for America's Heroes at Work <http://www.americasheroesatwork.gov/>. Attached is the final report for the One-year Employment Pilot. [The attached report, "Employment Pilot Year One Final Report," by America's Heroes at Work, dated September 25, 2009, is being retained in the Committee files.]

### Deliverables (Also Appearing in Hearing Transcript)

1. Provide the Subcommittee with the distribution of employment (private versus public) for disabled veterans.

<i>Employer</i>	<i>Percentage of Employed Veterans (with a Service-Connected Disability)</i>
Private	31.3%
Public	62.3%
Self-Employed	6.4%
Total	100.0%

**Source:** Congressional Research Service analysis of August 2009 Veterans Supplement to the Current Population Survey (CPS).

2. Do servicemembers transitioning out of the military automatically qualify for unemployment benefits in all 50 States?

Unemployment Compensation for Ex-Servicemembers (UCX) provides unemployment benefits while former active duty military personnel or reservists released from active duty search for work. The Emergency Unemployment Compensation Act of 1991 (P.L. 102-164) provided that ex-servicemembers be treated the same as other unemployed workers with respect to benefit levels, the waiting period for benefits, and benefit duration. The attached Congressional Research Service report RS22440, *Unemployment Compensation (Insurance) and Military Service* by Julie M.

<sup>1</sup> Email communication between the Office of Personnel Management and the Congressional Research Service on April 27, 2010.

Whittaker discusses servicemembers' eligibility for unemployment compensation in more detail. [The CRS Report appears on p. 100.]

If you have any questions or require additional information, please contact me.

---

Committee on Veterans' Affairs  
Subcommittee on Economic Opportunity  
Washington, DC.  
*April 20, 2010*

Mr. Mark Walker  
Deputy Director, National Economic Commission  
The American Legion  
1608 K Street, NW  
Washington, DC 20006

Dear Mr. Walker:

I would like to request your response to the enclosed questions for the record and deliverable I am submitting in reference to our House Committee on Veterans' Affairs Subcommittee on Economic Opportunity hearing on the *Status of Veterans Employment* on April 15, 2010. Please answer the enclosed hearing questions by no later than Tuesday, May 18, 2010.

In an effort to reduce printing costs, the Committee on Veterans' Affairs, in cooperation with the Joint Committee on Printing, is implementing some formatting changes for material for all full Committee and Subcommittee hearings. Therefore, it would be appreciated if you could provide your answers consecutively on letter size paper, single-spaced. In addition, please restate the question in its entirety before the answer.

Due to the delay in receiving mail, please provide your response to Ms. Orfa Torres by fax at (202) 225-2034. If you have any questions, please call (202) 226-5491.

Sincerely,

Stephanie Herseth Sandlin  
*Chairwoman*

JL/ot

---

American Legion  
Washington, DC.  
*May 24, 2010*

Honorable Stephanie Herseth Sandlin, Chair  
Subcommittee on Economic Opportunity  
Committee on Veterans' Affairs  
U.S. House of Representatives  
335 Cannon House Office Building  
Washington, DC 20515

Dear Chair Herseth Sandlin:

Thank you for allowing The American Legion to participate in the Subcommittee hearing on the *Status of Veterans Employment* on April 15, 2010. I respectfully submit the following in response to your additional questions:

- 1. In your written testimony you state that there is an immense need to ensure that veterans are getting trained and afforded ample opportunities to succeed. What kind of training should a combat arms veteran receive versus a non-combat arms veteran to succeed in the job market?**

In most occasions, both the combat and non-combat veteran would need additional training after active-duty service to hone their skills as well as learn new skills to aggressively compete in today's marketplace. However, the combat veteran would require more specialized training that readily fits into a professional setting. Technological skills, soft skills and networking skills are critical ingredients in succeeding into the civilian workforce. The American Legion's goal is to see combat and

non-combat veterans receive training, retraining, and support services that lead to long-term and high wage career jobs.

Furthermore, The American Legion supports H.R. 929, introduced by Representative Welch (VT) that would authorize \$60 million for the next 10 years to fund a program modeled after the highly successful Servicemembers' Occupational Conversion and Training Act (SMOCTA). If enacted, MOST would be the only Federal job training program available strictly for veterans and the only Federal job training program specifically designed and available for use by State veterans' employment personnel to assist veterans with barriers to employment.

**2. Is the Veterans' Employment and Training Service program meeting its goal of assisting veterans with employment?**

The American Legion believes that VETS could provide better intensive services to veterans who are desperately in need of meaningful employment. Since P.L. 107-288 passed, VETS has not been required to monitor or review all of the State Workforce Agencies Service Delivery Points. As a result, VETS policy changed and oversight was reduced to only about 1 percent of the centers, not an effective policy. Consequently, the type and quality of service that veterans currently receive through VETS is varied State by State, which is why we seek legislation that will transfer the DVOP and LVER program to VETS for oversight in order to ensure that the individuals employed to serve veterans are not used for other programs.

Presently, VETS cannot tell Congress or the veteran community who are the best and/or worst DVOPs/LVERs in the country, due to lack of control and oversight of this very important program. Veterans deserve the best service that VETS can provide, so they can successfully transition from active-duty into the civilian workforce.

**3. You state that the Legion is eager to see the Veterans' Employment and Training Service program (VETS) grow. How should VETS grow and what should it be doing?**

Over the past 20 years, the level of funds for the grants under VETS has remained virtually flat lined in consideration of inflationary influences. This flat line in funding equates to a loss of DVOP/LVER staff available to serve a growing veteran population. The American Legion believes VETS needs more funding in order to have the staffing levels for DVOPs and LVERs match the needs of the veteran's community in their State. It is critical that veterans have access to DVOPs/LVERs, so they can receive advice and access to the job market in their local communities. VETS should be a more proactive agent between the business and veterans communities to provide greater employment opportunities for veterans, while providing employers with a labor pool of quality applicants with marketable and transferable job skills.

In addition, VETS should expand its outreach efforts with creative initiatives designed to improve employment and training services for veterans. For example, VETS could host hiring fairs (veterans already vetted and hired on the spot), internships with Fortune 500 Companies, and training in high potential industries (i.e., green jobs and health care). VETS must give a clearer signal to the private sector that hiring veterans is good for business and the economic health of America.

**4. What role should DoD play in assisting veterans get their civilian licenses and certificates before they separate from the Armed Services?**

The American Legion strongly believes that DoD needs to take the lead role in ensuring that servicemembers be trained, tested, evaluated and issued any licensure or certification that may be required in the civilian workforce prior to separation. As you know, there are many occupational career fields in the Armed Forces that easily translate to a civilian counterpart in the civilian workforce that require a license or certification. Upon separation, many servicemembers, certified as proficient in their military occupational career, are not licensed or certified to perform the comparable job in the civilian workforce, thus hindering chances for immediate civilian employment and delaying career advancement.

At the very least, we would like to see DoD and the private sector create a partnership that once servicemembers leave active-duty, there would be minimal training to obtain employment in fields that they're highly qualified to fill.

**5. Is DOL doing an adequate job in investigating USERRA complaints?**

The American Legion is concerned with the time it takes for a claim to be resolved. The USERRA claim process can take 6 months to 2 years to resolve. This time frame puts an undue financial pressure on veterans and their families looking to regain their employment. The long wait can also push a veteran not to file his/her USERRA claim and just go out and find another job, which doesn't bring to light the current problem of veterans not being reemployed.

Although USERRA defines individual agency roles and responsibilities, it does not make any single individual or office accountable for maintaining visibility over the entire complaint resolution process. In a report addressing USERRA issues by the Government Accountability Office (GAO) in October 2005, it noted that the ability of Federal agencies to monitor the efficiency and effectiveness of the complaint process was hampered by a lack of visibility resulting, in part, from the separated responsibilities for addressing complaints from among multiple agencies. The GAO report recommended that Congress consider designating a single individual or office to maintain visibility over the entire complaint resolution process from DoD through DOL, DOJ, and OSC. This would encourage agencies to focus on overall results than agency-specific outputs and thereby improve Federal responsiveness to service-member complaints that are referred from one agency to another. The American Legion supports this recommendation by GAO.

**6. In your testimony you refer to staffing and funding levels for Disabled Veterans' Outreach Program Specialists and Local Veterans' Employment Representatives. What would you consider "adequate funding" for DVOPs and LVERs to properly address the employment needs of our veteran population?**

The American Legion recommends \$267 million to DOL-VETS State Administration Grants for FY 2011 (please note that the amount recommended for State Grants include funds for the Transition Assistance Program). This increase in funding would allow staffing levels for DVOPs and LVERs to match the needs of their States, which ultimately leads to more individualized attention to veterans, along with more time needed to build community connections (i.e., private sector, NGOs, Faith-based organizations) in order for veterans to have ample employment opportunities.

Thank you for your continued commitment to America's veterans and their families.

Sincerely,

Mark Walker  
Deputy Director, National Economic Commission

---

Committee on Veterans' Affairs  
Subcommittee on Economic Opportunity  
Washington, DC.  
April 20, 2010

Mr. Tim Embree  
Legislative Associate  
Iraq and Afghanistan Veterans of America  
308 Massachusetts Ave, NE  
Washington, DC 20002

Dear Mr. Embree:

I would like to request your response to the enclosed questions for the record and deliverable I am submitting in reference to our House Committee on Veterans' Affairs Subcommittee on Economic Opportunity hearing on the *Status of Veterans Employment* on April 15, 2010. Please answer the enclosed hearing questions by no later than Tuesday, May 18, 2010.

In an effort to reduce printing costs, the Committee on Veterans' Affairs, in cooperation with the Joint Committee on Printing, is implementing some formatting changes for material for all full Committee and Subcommittee hearings. Therefore, it would be appreciated if you could provide your answers consecutively on letter size paper, single-spaced. In addition, please restate the question in its entirety before the answer.



Due to the delay in receiving mail, please provide your response to Ms. Orfa Torres by fax at (202) 225-2034. If you have any questions, please call (202) 226-5491.

Sincerely,

Stephanie Herseth Sandlin  
*Chairwoman*

JL/ot

---

**Iraq and Afghanistan Veterans of America**

**TO:** House Committee on Veterans' Affairs Subcommittee on Economic Opportunity  
**RE:** Follow-Up questions from IAVA's testimony on April 15, 2010  
**PREPARED BY:** Tim Embree, Legislative Associate

**1. How can we help employers understand the qualification veterans and servicemembers have to offer?**

IAVA has proposed several legislative fixes to help employers understand the overall business skills that veterans and servicemembers have to offer. First, there needs to be a nationwide Federal advertising campaign that outlines the management and general business skills our servicemembers and veterans bring to the civilian workforce.

Second, the Federal Government should lead by example and promote the hiring of veterans throughout the Federal Government. The U.S. Office of Personnel Management has created a Government-wide Veterans Recruitment and Employment Strategic Plan for FY 2010-FY 2012 but there must be oversight of the implementation of this plan.

Third, to help ease servicemembers' transition into the civilian world, we must identify common training courses and skills learned in military service to those in similar civilian career fields. For example, combat medics with advanced training and experience in battlefield medicine are not even qualified to drive an ambulance in the civilian world. In order to accomplish this, the Department of Defense should conduct a study and report recommendations to Congress on the differences between DoD and civilian vocational training, certifications and licenses. This study and report will help the DoD improve the skills of our fighting force as well as ease the servicemembers' transition later into the civilian workforce.

**2. Have you approached the House Appropriations Committee regarding your funding recommendations for Employer Support of the Guard and Reserve under the Department of Defense?**

Unfortunately, we have not yet had the opportunity to discuss restoring funding to the ESGR with the House Appropriations Committee. IAVA can update this Committee in the future when this status changes.

---

Committee on Veterans' Affairs  
Subcommittee on Economic Opportunity  
Washington, DC.  
*April 20, 2010*

Mr. Richard Daley  
Associate Legislative Director  
Paralyzed Veterans of America  
801 18th Street, NW  
Washington, DC 20006

Dear Mr. Daley:

I would like to request your response to the enclosed questions for the record and deliverable I am submitting in reference to our House Committee on Veterans' Affairs Subcommittee on Economic Opportunity hearing on the *Status of Veterans Employment* on April 15, 2010. Please answer the enclosed hearing questions by no later than Tuesday, May 18, 2010.

In an effort to reduce printing costs, the Committee on Veterans' Affairs, in cooperation with the Joint Committee on Printing, is implementing some formatting changes for material for all full Committee and Subcommittee hearings. Therefore, it would be appreciated if you could provide your answers consecutively on letter size paper, single-spaced. In addition, please restate the question in its entirety before the answer.

Due to the delay in receiving mail, please provide your response to Ms. Orfa Torres by fax at (202) 225-2034. If you have any questions, please call (202) 226-5491.

Sincerely,

Stephanie Herseth Sandlin  
*Chairwoman*

JL/ot

---

Paralyzed Veterans of America  
Washington, DC.  
*May 18, 2010*

Honorable Stephanie Herseth Sandlin  
Chairwoman, Subcommittee on Economic Opportunity  
House Committee on Veterans Affairs  
335 Cannon House Office Building  
Washington, DC 20515

Dear Chairwoman Herseth Sandlin:

Thank you for the opportunity to respond to questions from Paralyzed Veterans of America's testimony on April 15, 2010, regarding Status of Veterans Employment.

I have included with this letter a response to each of the questions that you presented following the hearing.

Sincerely,

Richard Daley  
*Associate Legislation Director*

---

#### Questions for the Record

**Question 1:** How many veterans have the Paralyzed Veterans of America's employment program placed within the last 3 years?

**Response:** Our program is currently located in four cities with a total of 566 spinal cord injured veterans registered with the program. Of the voc rehab eligible veterans, these are considered very difficult, if not impossible to place in employment. In our four locations, two have only been in existence for approximately one year. A total of 97 severely disabled veterans have become employed through our program.

**Question 1(a):** How many of those veterans have maintained their employment beyond 6 months?

**Response:** Of the 97 initially employed, 72 have been employed more than 6 months. Of those 72 employed longer than 6 months, 65 are still employed today. Many of the veterans still employed have been promoted, given a salary increase based on performance, or in some cases the disabled veteran has increased from part-time employment to full-time employment.

**Question 2:** What action should DOL be taking to improve the Disabled Veterans Outreach Program Specialists (DVOP) and Local Veterans Employment Representatives (LVER) program and does it have sufficient oversight?

**Response:** As the programs are defined in regulation the DOL has very little authority over these positions. Their primary role is to oversee the process of distributing funding to the States. The positions of DVOP and LVER are employees of the

State they represent, under the direction of the State, and report to the State on activities pertaining to the goals and objectives of the State program.

Each State tracks the number of veterans that register with their employment and unemployment office each month. The State monitors the employment status for all persons collecting unemployment benefits in the State. The standard unemployment benefit length is 26 weeks, except for periods of unusually high rates of unemployment when the Federal Government extends that period. After the 26 week period, the unemployed veteran falls off the roster of unemployed and is not counted among the unemployed unless they chose to maintain regular contact with the State employment office. Information that is not known by DOL is the number of veterans that remain unemployed after 9 months or 12 months. DOL does not know how many veterans were sent to job interviews by the State office. Since each State is receiving additional funding for their division of employment service to specially help veterans, what additional services are they providing for those veterans?

To improve the DVOP and LVER program, it would be necessary to have these positions working under the same authority, with the same goals, and using the same method to help veterans' find employment. This would be contrary to the existing structure of 50 different programs. This would require legislative action and additional funding, but would be more beneficial for the unemployed veteran.

**Question 3:** If the Disabled Veterans Outreach Program Specialists and Local Veterans' Employment Representatives from State are underperforming, who should be held accountable?

**Response:** Underperforming would be a subjective evaluation of these positions. These positions perform similar functions for the veteran as the State employment personnel perform for non veterans. In other words, they are adequately performing by that State's criteria.

With the addition of Federal funds to the State's employment program specifically to help unemployed veterans, a veteran would expect to receive additional guidance in their employment search. As stated at the hearing, often the position of LVER is performed by a previously unemployed veteran who becomes the newest employee in the State employment office. This person would be performing this roll only until they can move to a higher paying State position. I recently had a discussion with a LVER that was going to school part-time, working as a LVER part-time, while searching for a career position for himself. Under these circumstances, I did not feel that this person had employment for other veterans as their top priority. No one entity can be held accountable. Under the existing program DOL, and the State employment program are fulfilling their responsibilities of the program.

**Question 4:** You mention that even in situations of underemployment, DOL records it as a positive result. How should DOL record this type of employment, if at all?

**Response:** In order to show success or failure of State employment efforts, a positive response is indicated when the veteran takes a low paying job. Often an applicant must take a job that pays 50 or sixty percent of their last earnings. This is not indicative of a successful future for the veteran. If a veteran who had a military occupation such as electronics' technician decides to take a minimum wage job to help feed his family, this is not success. In a State's records, this is indicated as an employed veteran. This temporary employment situation will soon bring about financial problems caused by not keeping current with living expenses and past financial obligations. The financial problems may be accompanied by interpersonal problems within the family ultimately leading to divorce and disintegration of the family.

In order to provide programs to help these veterans complete their successful transition to civilian life, the VA and DOL would need to know how many veterans are underemployed. In these situations the veterans' representative should continue working with the veteran. The current option for recording the veteran's status is either employed, or unemployed. To more accurately represent the status of new veterans that have recently separated from the military as well as older veterans there should be a third category of underemployed. This would be not earning up to ones potential and previous income. Veterans in this category would receive all the support, guidance, and follow-up in their search for employment same as unemployed veterans would.

**Question 5:** What key practices should DOL incorporate into their program from PVA's Employment program?

**Response:** The success of PVA's employment program is achieved by intense one-on-one case management for the severely disabled veterans. This would require more specialized staff than currently available in the VR&E program.

The prospective employers must be contacted and visited by the employment office. We were told by our employment counselors that of the veterans that have been placed in employment, none of the employers came searching for a disabled veteran to hire. Instead these employers were contacted by our representatives.

Through the work of the DVOPs and LVERs, the future employers would be informed of the benefits of employing a veteran, or disabled veteran. They would understand that some flexibility may be required along with minor accommodations with the position. The employment representative after understanding the needs of the employer then matches the work environment and requirements with the perspective veterans in their program.

---

Committee on Veterans' Affairs  
Subcommittee on Economic Opportunity  
Washington, DC.  
*April 20, 2010*

Mr. Justin Brown  
Legislative Associate  
National Legislative Service  
Veterans of Foreign Wars of the United States  
200 Maryland Avenue, SE  
Washington, DC 20002

Dear Mr. Brown:

I would like to request your response to the enclosed questions for the record and deliverable I am submitting in reference to our House Committee on Veterans' Affairs Subcommittee on Economic Opportunity hearing on the *Status of Veterans Employment* on April 15, 2010. Please answer the enclosed hearing questions by no later than Tuesday, May 18, 2010.

In an effort to reduce printing costs, the Committee on Veterans' Affairs, in cooperation with the Joint Committee on Printing, is implementing some formatting changes for material for all full Committee and Subcommittee hearings. Therefore, it would be appreciated if you could provide your answers consecutively on letter size paper, single-spaced. In addition, please restate the question in its entirety before the answer.

Due to the delay in receiving mail, please provide your response to Ms. Orfa Torres by fax at (202) 225-2034. If you have any questions, please call (202) 226-5491.

Sincerely,

Stephanie Herseth Sandlin  
*Chairwoman*

JL/ot

---

**Response from Eric A. Hilleman**  
**THE STATUS OF VETERANS EMPLOYMENT**

**Question 1:** In your opinion is the Transition Assistance Program meeting the needs of our veterans?

**Response:** The Veterans of Foreign Wars remains concerned that servicemembers are not receiving adequate counseling upon separation from active-duty, National Guard, or Reserve type duties. Currently, TAP or the yellow-ribbon program upon separation is not a required for all servicemembers.

Furthermore, the VFW is also concerned that TAP classes, as well as the Yellow Ribbon Program, offer sessions that vary greatly. Anecdotal information seems to suggest that the TAP contractors tend to do a better job than the DVOPs/LVERs

who are balancing a number of duties. However, this could also be due to a lack of standardization across the TAP program.

There is also a need to for a centralized resource that is user friendly, helpful, and easily searchable for veterans and their families. While the Turbo-Tap manual that is a substantial, it is generally unknown. There is also the National Resource Directory, which covers essentially everything a young disabled veteran may need.

DOL-VETS and the DVOP/LVER program should be creating a best practices model to help veterans more easily transition. Services need to be individualized and offer ease of access, connecting a vet with a point of contact for that resource. For example, if a veteran identifies that they are searching for employment online, a pop up should and could offer the local DVOP/LVER and their contact information. An even more user friendly interface would allow the veteran to schedule a physical or phone call appointment with that representative on the spot. What a veteran should not get after clicking a button titled "employment" is two pages of various links that lead to more links. Services need to be creative and render results—to help these veterans more thoroughly identify the opportunities and resources available to them.

In conclusion, the VFW continues to remain concerned that the Transition Assistance Program is not meeting the needs of our veterans.

**Question 2:** Do you think that DOL is properly investigating veteran claims and assisting veterans with their USERRA concerns?

**Response:** The Veterans of Foreign Wars has received complaints from veterans who believe DOL was not thorough in their investigation of their claim. The VFW remains concerned that DOL investigations do take too long. When a veteran is waiting on a diction that impacts their livelihood and their ability to support their family any wait time is excruciating.

**Question 3:** What are your top five concerns regarding employment for veterans?

**Response:**

1. More attention is needed to promote the value of veterans to the private sector.
2. Current programs, I.E. the Post-9/11 GI Bill and VR&E need to be enhanced equip veterans to compete in today's economy.
3. Existing programs such as the DVOPs/LVERs program and the processes such as the Vets 100 must be made more successful.
4. More emphasis needs to be placed identifying critical skills learned in uniform and how to translate those skills into the private sector.
5. Guard and Reserve units with successful reemployment rates need to be studied to improve how the whole Guard and Reserve force is addressing this issue.

---

Committee on Veterans' Affairs  
Subcommittee on Economic Opportunity  
Washington, DC.  
April 20, 2010

Mr. Marshall Hanson  
Director of Legislation and Naval Services  
Reserve Officers Association of the United States  
1 Constitution Avenue, NE  
Washington, DC 20002

Dear Mr. Hanson:

I would like to request your response to the enclosed questions for the record and deliverable I am submitting in reference to our House Committee on Veterans' Affairs Subcommittee on Economic Opportunity hearing on the *Status of Veterans Employment* on April 15, 2010. Please answer the enclosed hearing questions by no later than Tuesday, May 18, 2010.

In an effort to reduce printing costs, the Committee on Veterans' Affairs, in cooperation with the Joint Committee on Printing, is implementing some formatting changes for material for all full Committee and Subcommittee hearings. Therefore, it would be appreciated if you could provide your answers consecutively on letter size paper, single-spaced. In addition, please restate the question in its entirety before the answer.

Due to the delay in receiving mail, please provide your response to Ms. Orfa Torres by fax at (202) 225-2034. If you have any questions, please call (202) 226-5491.

Sincerely,

Stephanie Herseth Sandlin  
*Chairwoman*

JL/ot

---

**QUESTIONS FOR THE RECORD PROPOUNDED  
TO THE RESERVE OFFICERS ASSOCIATION**

**Subcommittee on Economic Opportunity  
House Committee on Veterans' Affairs  
Hearing on "Status of Veterans Employment"  
Hearing date: April 15, 2010**

**Ref: By letter dated April 20, 2010, Representative Stephanie Herseth Sandlin**

**(Chairwoman of the Subcommittee on Economic Opportunity) propounded the following four questions to Mr. Marshall Hanson, the Director of Legislation and Naval Services of the Reserve Officers Association (ROA). These are ROA's responses.**

**Question 1:** How many Active and Reserve members has your Legal Center advised?

**Question 1(a):** How many of those have you referred to an attorney?

**Response:** In almost a year of operation (June 1, 2009 through May 6, 2010), the Servicemembers Law Center has advised 2150 individuals, by telephone and/or e-mail, and in a few instances in person. Of those 2150, approximately 1720 (80 percent) were Active or Reserve Component (overwhelmingly Reserve Component) members of the Armed Forces.

The ROA Servicemembers Law Center has also heard from and has provided information to attorneys, employers, Congressional staffers, State legislators and staffers, reporters, and veterans who are not currently Active or Reserve Component members of the Armed Forces but have been in the past.

Of those who have contacted us, the ROA Servicemembers Law Center has referred about 5 percent to an attorney. The Servicemembers Law Center also refers individuals to the National Committee for Employer Support of the Guard and Reserve (a Department of Defense organization) and/or the Veterans' Employment and Training Service (a Department of Labor organization).

The large majority of National Guard and Reserve personnel who contact the Servicemembers Law Center do not have any immediate need for legal representation. They call us or e-mail us seeking guidance, mostly about the Uniformed Services Employment and Reemployment Rights Act (USERRA). For example, USERRA includes a 5-year cumulative limit on the duration of the period or periods of uniformed service that an individual can perform, with respect to a single employer relationship, but there are eight statutory exemptions (kinds of service that do not count toward the limit). Every day, ROA receives at least one inquiry about what counts and what does not count toward exhausting the live-year limit.

**Question 2:** In your opinion is DOL doing a good job of investigating USERRA complaints?

**Response:** Over the years, in ROA's "Law Review" articles and otherwise, ROA has been critical of DOL-VETS with respect to the timeliness and thoroughness of USERRA investigations. In the fall of 2008, Congress amended USERRA to establish timelines on USERRA investigations and referrals. There has been some improvement in timeliness since that amendment went into effect.

DOL-VETS frequently asks the claimant for a waiver, when the investigation is not completed within the 90 days mandated by law, but at least the need to ask for a waiver focuses attention on the need for timeliness.

The main problem is that DOL-VETS personnel who do not specialize in USERRA are conducting most of the USERRA investigations, and some of those personnel are poorly trained and motivated.

Within DOL-VETS, there is a “director” for each State, and in the larger States there are one or more “assistant directors” depending upon a census of veterans provided by the Department of Veterans Affairs. These directors and assistant directors spend the majority of their time performing functions completely unrelated to USERRA. When they are tasked to do USERRA investigations, they often seem clueless and unmotivated.

DOL-VETS has only one investigator (Robert Kuenzli) who does USERRA investigations full-time, and he does them quite well. Although his office is in South Carolina and he is administratively part of the DOL-VETS Atlanta Region, he is assigned “hard cases” (often reopened cases) all over the country. DOL-VETS needs to develop a cadre of well-trained and dedicated USERRA investigators, at least one in each region.

ROA also believes that DOL needs to change the arrangement of how it gets its attorneys involved in USERRA cases and referrals to the Department of Justice (DOJ) and the Office of Special Counsel (OSC). Under the current system, someone in DOL-VETS (usually a State director or assistant State director) conducts an investigation and refers the report to the DOL-VETS regional office (Boston, Philadelphia, Atlanta, etc.), The DOL-VETS regional office then forwards the file to the regional office of the Solicitor of Labor (SOL). An attorney in the SOL regional office (often an attorney with no prior USERRA experience) writes a “legal analysis” that accompanies the DOL-VETS report and case file when they are referred to DOJ or OSC (in the case of cases against Federal agencies, as employers).

Frequently, in the course of drafting the legal analysis, the SOL regional attorney will perceive a gap in the investigation. That will require that the case file go back to the investigator for a follow-up investigation, causing still more delay. Moreover, DOJ and OSC find the legal analyses to be largely pointless-citing case law that DOJ and OSC attorneys already know well.

Instead of getting the lawyers involved only at the end, ROA suggests that the lawyers should be involved from the beginning. When DOL-VETS receives a USERRA complaint, an attorney should work with the assigned investigator to identify which section or sections of USERRA apply and to identify the elements of proof for the claimant to prevail on his or her claim. ROAs want to minimize the waste of time by the investigator looking into intellectual questions that are not relevant or not contested, while inadvertently omitting other factual questions that are very relevant.

ROA also suggests that DOL-VETS needs to review its metrics system for judging the performance of its personnel. The system currently in use rewards *timeliness* above all other things. If an agency is tempted to emphasize timeliness above all else, said agency will close cases as “no merit” shortly after opening them. All too often, DOL-VETS investigators (especially those who do USERRA cases only occasionally) accept at face value the employer’s assertions about fact and law and then close the case quickly as “no merit.” DOL-VETS is not serving the claimant unless the agency conducts a real investigation and tries to find facts that support the claim.

**Question 3:** What practical things should be government do to assist reservists who own a business?

**Response:** ROA proposes six amendments to the Servicemembers Civil Relief Act (SCRA) to address the needs of the Reserve Component member who has been or may be called to the colors:

**i. Broaden right to terminate lease**—ROA suggests that Congress amend the SCRA to give the person who is being called to active duty the right to terminate a lease on business equipment. The SCRA, as currently written, gives the individual the right to terminate a lease on premises (apartment, house, office, farm, etc.), a lease on a vehicle, and (under limited circumstances) a cell phone contract. This right-to-terminate should be broadened to include other leases and contracts.

The Servicemembers Law Center has heard from a Reserve Medical Corps officer who has been called to active duty, and who as a result will be closing his private medical practice. He has a six-figure lease on certain medical equipment that he has been using in his practice. He cannot take the equipment with him to Afghanistan, when he reports to active duty. He wants to return the equipment to the lessor and cancel the remaining payments due under the lease, but the SCRA as currently written does not give him this right.

**ii. Expand right to continuance and default judgment protection to include arbitral proceedings.**

Since 1917, the Soldiers' and Sailors' Civil Relief Act (SSCRA) has provided protection against default judgment and the right to a continuance to a person who has been sued in Federal or State court and whose military service precludes the person from offering a defense. In 2003, when Congress enacted the SCRA, these protections were broadened to include Federal, State, and local *administrative* proceedings as well. But the SCRA does not apply to proceedings before an *arbitrator*. ROA favors an amendment to make these important protections applicable to arbitral proceedings.

**iii. Expand the SCRA right to reinstate "health insurance" to include income replacement insurance as well.** Many National Guard and Reserve personnel who are self-employed owners of small businesses have health insurance and income replacement insurance policies. It has been held that the returning veteran has the right to reinstatement of his or her health insurance (narrowly construed) but not income replacement insurance. This loophole cries out for a legislative fix.

**iv. Clarify that the SCRA creates a private right of action.** A right without a remedy is of little value. We need Federal legislation clarifying that the SCRA creates a private right of action, authorizing the individual to sue in Federal court, with his own lawyer and in his own name.

**v. Provide for the court to award attorney fees to the prevailing SCRA plaintiff.**

USERRA provides that if an individual brings an action through private counsel and prevails, the court can award attorney fees to the prevailing plaintiff. Congress should amend the SCRA to provide for similar rights in USERRA cases.

**vi. Make it unlawful for a prospective creditor to deny credit or downgrade one's credit score based on the possibility that one might be called to active duty.**

Note: ROA is willing to work with the professional staff to develop language to support the above suggestions.

**Question 4:** What type of assistance do Active and Reserve members seek when they reach out for assistance to your Law Center?

Almost 2/3 of the inquiries that the ROA Servicemembers Law Center has received relate to problems with civilian employers, concerning participation in the National Guard or Reserve. These calls and emails relate overwhelmingly to USERRA, but also to Federal and State laws governing paid military leave for public employees and Federal and State veterans preference laws.

Many of these calls relate to the USERRA eligibility criteria, especially the 5-year limit. These servicemembers are trying to ensure that they meet the criteria, in order to preserve their right to reemployment. Other calls relate to questions as to how to respond to employer hostility and harassment, motivated by Reserve Component service. The ROA Servicemembers Law Center hears from members who have been unlawfully fired or denied reemployment, and the Servicemembers Law Center hears from members who have complained to DOL-VETS and have had what they consider to be meritorious cases closed as without merit.

Of the other 113 of the inquiries, those not involving civilian employment, the subject matter (in descending order of incidence) are military voting rights, military personnel administration, the Servicemembers Civil Relief Act, VA benefits, military family law, military justice, and other matters.

**Source: Answers were developed by CAPT Sam Wright, USNR (ret.) Director of the ROA Servicemembers Law Center.**

---



Committee on Veterans' Affairs  
 Subcommittee on Economic Opportunity  
 Washington, DC.  
*April 20, 2010*

Mr. Peter J. Duffy  
 Deputy Director Legislation  
 National Guard Association of the U.S.  
 One Massachusetts Avenue, NW  
 Washington, DC 20001

Dear Mr. Duffy:

I would like to request your response to the enclosed questions for the record and deliverable I am submitting in reference to our House Committee on Veterans' Affairs Subcommittee on Economic Opportunity hearing on the *Status of Veterans Employment* on April 15, 2010. Please answer the enclosed hearing questions by no later than Tuesday, May 18, 2010.

In an effort to reduce printing costs, the Committee on Veterans' Affairs, in cooperation with the Joint Committee on Printing, is implementing some formatting changes for material for all full Committee and Subcommittee hearings. Therefore, it would be appreciated if you could provide your answers consecutively on letter size paper, single-spaced. In addition, please restate the question in its entirety before the answer.

Due to the delay in receiving mail, please provide your response to Ms. Orfa Torres by fax at (202) 225-2034. If you have any questions, please call (202) 226-5491.

Sincerely,

Stephanie Herseth Sandlin  
*Chairwoman*

JL/ot

---

**PETER J. DUFFY'S RESPONSE TO QUESTIONS FOR THE RECORD  
 HCVA SUBCOMMITTEE ON ECONOMIC OPPORTUNITY  
 HEARING ON THE STATUS OF VETERANS EMPLOYMENT ON  
 APRIL 15, 2010**

**Question 1:** Do the Guard/Reserve forces need a Transition Assistance program similar to active duty forces?

**Response:** The National Guard Transition Assistance Advisor (TAA) program differs from the active duty program primarily in the time and manner in which assistance is delivered and the content of assistance programs. Whereas the active duty program will allow the TAAs to work over a matter of days with a captured active duty audience to provide training on job searching skills, the National Guard TAAs have time to deliver only very short briefings during the limited time our members remain on active duty at installations before returning to their homes. However, the TAAs remain reachable to provide personalized service to all callers at all stages of deployments. A TAA program similar to the active forces could be considered if our returning members remained on active duty longer at National Guard installations after deployment.

The TAAs serve as statewide points of contact primarily to provide a professional person to assist in accessing Veterans benefits and medical care for members and families before, during and after deployment. However, they can troubleshoot virtually all deployment related issues ranging from processing medical compensation claims, accessing veterans' benefits, pursuing medical care options, assisting with job searches, financial assistance, referral for counseling, and obtaining dependent care. The TAAs, 90 percent of whom are either veterans or spouse of military members, make themselves available to members of all components and veterans of any service. It is the "go to" feature and personal interaction follow up that distinguishes the TAA program from other reintegration assistance programs.

A description of what a TAA does is best provided by the following message sent in response to a NGAUS inquiry by Marine, Steven B. Sheppard, TAA for the Massachusetts National Guard.

“As the single point of contact for all Veterans of all branches of all eras, TAA’s are very busy. We track our troops through both the Military and civilian health care sectors, which can be daunting to say the least. Often the more complicated cases require significant follow-up care. Veterans rarely call with just one problem. A typical case that is brought to the TAA desk looks something like this:

- Unemployed Guard Member with no service connection has no capability to travel because his vehicle needs service
- SM has been unemployed for 8 months with no end in sight
- health problems due to Line-of-Duty injuries/illness
- can’t afford car payment/rent/vehicle repair

This means that the TAA has to:

- help fill out need-based financial grant applications for emergency aid
- coordinate with financial planning and State resources to prevent foreclosure
- help coordinate military health services for possible return to active duty for treatment
- coordinate VA Health care services, i.e. enrollment, primary care and specialty clinic care
- compensation and pension evaluation and VA Disability claim via Certified National Service Officer
- employment consultation with LVER/DVOP and Career Center Training/Services
- arrange for legal consultation if necessary (home foreclosure, child support modification, will/power of attorney, etc.)

Now multiply this by any number of cases that the TAA may be managing, add in follow-up care and you can see that this adds up quickly. This is in conjunction with helping Veterans of all eras which present additional hurdles. Though our primary mission is to focus on the OIF/OEF era Veterans, coordinating end-of-life care, or elder care for WWII and Korean era Veterans is a necessary and much needed skill-set. This brings us to what I like to call, my “weekend job.”

At least once a month, sometimes more, the TAA facilitates seminar and classroom learning sessions at Yellow Ribbon reintegration events. We meet individually and in groups with returning or deploying Veterans in order to educate Guard/Reserve members on benefits and services. Because of the large number of troops in the outgoing/incoming stages of deployment, this means that the TAA often works multiple weekends a month, if not all of them.

Most TAA’s also are on a number of planning committees to help coordinate services and events in the future as well. Panel discussions, coordination and feedback meetings with VHA and VBA, and consultation with the military chain-of-command are additional duties that help to forge the working relationships that we use on a daily basis. The bottom line is that the TAA is, by definition a central point of contact, and we are used heavily by every State, Federal, military and Veteran organization on a regular basis.

Pete is this the type of issue you are looking for? Comes right from the top.”

Although necessarily different from the active duty program because of the limited time our members remain on active duty at National Guard our installations post deployment, clearly, the TAA program in the National Guard performs a valuable service to members and families. The program needs to be expanded.

**Question 2:** What should the government be looking at when trying to address the benefit disparities and other unmet needs of the Guard and Reserve?

**Response:**

#### **Amend the Post-9/11 GI Bill to Recognize Title 32 Active Duty service**

Amid great celebration and expectations, the bill providing Educational Assistance for Members of the Armed Forces Who Serve After September 11, 2001, more commonly known as the Post-9/11 GI Bill, was hurriedly enacted as part of the Supplemental Appropriations Act, 2008 Public Law 110-252 but with one hurtful omission; Congress excluded all National Guard Title 32 active duty service after 9/11 from qualifying for benefits under this program.

The impact of this legislation is that Congress has effectively denied benefits to our dedicated men and women who have served our country on Title 32 active duty post 9/11 as AGRs and in mobilized operations such as Operation Noble Eagle, Op-

eration Jump Start, and in the critically needed airport security operations in the desperate days immediately following the 9/11 attacks on the homeland. What is particularly upsetting is the fact that the bill provides benefits for domestic active duty service of Reserve AGRs and other active forces on Title 10 orders who are performing virtually the identical service as our National Guard AGRs and other members on Title 32 orders who are denied the same benefits.

With the current call from many quarters to have the National Guard mobilize to protect the borders, Congress must keep in mind that it will do so dutifully, as it always does, away from home likely on Title 32 active duty orders without earning any benefits under the Post 9/11 GI Bill for the service. This is patently unfair and, unfortunately, further evidences how the “always ready always there” service of the National Guard can be taken for granted. This must be changed.

H.R. 3554 would correct this omission. With respect to “pay go” requirements to fund H.R. 3554, the costs for the needed corrections could be made as an emergency spending measure under the new law.

#### **Amend the Montgomery GI Bill Chapter 1607 (REAP) eligibility to recognize all Title 32 Active Duty service**

To qualify under chapter 1607 of the Montgomery GI Bill one must meet the following requirements: a 90 day Title 10 mobilization or a 90 day Title 32 call up in response to a presidential or a Secretary of Defense declaration of a national emergency. This similarly does not fully recognize all Title 32 active duty to protect the homeland from disaster or border incursion and needs to be changed.

A Facebook message that NGAUS has received from the field from a National Guard member who shall remain unnamed illustrates this:

“Too bad they put these soldiers on Title 32 orders. Title 32 is just another way to screw National Guard soldiers out of future benefits. I spent 3½ years on Title 32 orders with the Army National Guard and I am ineligible for Montgomery GI Bill educational benefits. Only Title 10 soldiers are eligible. That means all Reserve soldiers are covered but no National Guard soldiers. We can be depended upon to fulfill the mission, but we’re not worthy of all the benefits!”

#### **Establish retroactivity to 9/11 of changes in the 2008 NDAA lowering the Reserve retirement pay eligibility age**

**H.R. 208, the “National Guard Retired Pay Equity Act of 2009,”** introduced by Representatives Joe Wilson (R-SC) and Dan Boren (D-OK), has broad support of 145 cosponsors in the House of Representatives. Its companion bill in the Senate, **S. 831**, introduced by Senator John Kerry (D-MA), has 29 cosponsors. These bills would allow our retirees to draw retirement pay 3 months sooner for each aggregate of 90 days per fiscal year of deployed service performed after September 11, 2001 in support of a contingency operation or national emergency.

The current law inequitably only applies to qualifying service after January 28, 2008, the date of enactment of the 2008 National Defense Authorization Act (NDAA) which brought about the first changes in Reserve component retirement pay in 60 years. The original language of the bill which introduced these historic changes would have recognized all qualifying service after September 11, 2001.

Excluding otherwise qualifying service in the Global War on Terror after September 11, 2001 but prior to January 28, 2008 from the benefit of this law is simply not fair to those who bravely served our country in the most difficult years of the current conflicts. H.R. 208 and S. 831 would correct this inequity by crediting all qualifying active duty service performed after September 11, 2001.

Because this benefit represents a cost of war, funding for the bill under the recent “pay go” legislation could be accomplished as an emergency spending measure in the War Supplemental if there is the political will to do so.

#### **End discriminatory bonus programs**

In prepared remarks, Lt. Gen. Harry Wyatt, Air National Guard director, told Congress last month that he wanted to “make an interesting point” about incentives. He first described one of the Air Guard’s tactical air control party specialists who “recently returned from a fifth deployment overseas in Afghanistan,” where he “led 19 close air support missions for nine operations, spent more than 135 hours outside the wire on combat patrol, and successfully prosecuted 18 precision strikes on enemy positions that saved American lives under fire.” Wyatt then stated, “In the Air National Guard this skill set is in such great demand we offer a re-enlistment bonus of \$15,000, but only for re-enlistments of 6 years.”

He followed with this clincher: “If the same skill set were to re-enlist in the Regular Air Force, it would qualify for a \$90,000 bonus to re-enlist for 3 years.”

Other bonus disparities exist with the National Guard members who become technicians (civilian employees working for the Guard but who wear the uniform). They are required to pay back education, retention and reenlistment bonuses. This is discrimination without any rational basis.

These discriminatory bonus provisions need to be changed.

#### **Administer Post Deployment medical programs in a fair manner to returning National Guard veterans**

There is mounting concern that our National Guard members are not receiving fair treatment at demobilization sites relative to their service connected injuries being either properly identified or treated. The concern is that the active forces are encouraging our wounded members to return home to be treated by the Veterans Administration rather than remain on active duty for further treatment and evaluation which is hurtful to the wounded members and the member's family. There follows a recent article from the Army Times highlighting this problem with the Oregon National Guard.

#### **Oregon Lawmakers Want Guard Medical Care Reviewed**

**By Peter Urban—Gannett Washington Bureau**  
**Posted: Monday May 17, 2010 19:11:00 EDT**

Two Oregon lawmakers are seeking an investigation into the quality of medical treatment provided to National Guard and Reserve troops before and after combat deployment to Iraq.

Senator Ron Wyden and Rep. Kurt Schrader sent joint letters Monday to the Army's inspector general and the Government Accountability Office seeking an investigation after their offices uncovered evidence that Joint Base Lewis-McChord treated active-duty soldiers differently from National Guard members and reservists returning from Iraq and Afghanistan.

They also wrote to Army Secretary John McHugh asking him to investigate their concerns that returning National Guard members and reservists are being treated as "second-class soldiers."

"I am outraged after hearing troubling reports about the disrespectful and inequitable treatment received by Oregon Guardsmen," Schrader said in a news release issued with Wyden.

Schrader wants all the soldiers' cases to be reviewed. Some National Guard members have already been released without receiving appropriate medical treatment, he said. In the letter to McHugh, Schrader asked that he "personally ensure their proper care and treatment."

Schrader's staff members were alerted to potential problems at the former Fort Lewis from a constituent complaint. They received several more complaints and, upon further investigation, found evidence that the problem may be broader, they said.

In particular, they said that a PowerPoint presentation created at the base showed that Lewis-McChord had instituted a process for handling the medical needs of active-duty soldiers differently from those of National Guard members and reservists. The presentation included an image labeling National Guard soldiers as "week-end warriors."

"We can't just chalk this up as the actions of one rogue office; rather my concern is that this is a symptom of a culture that views National Guard and reservists as second-class soldiers," Wyden said.

Army Surgeon General Eric Schoomaker sent a letter to Wyden last Friday apologizing for the PowerPoint presentation, which had been presented in March to staffers at Madigan Army Medical Center, located near Lewis-McChord, and saying he was "appalled by the insensitivity" of one of his officers.

Schoomaker said the commanding general of Lewis-McChord had also directed an investigation

#### **Medical Screenings at the home station by the VA**

NGAUS is supporting legislation that would provide our members returning from deployment with the option of being examined at home by VA health care providers before they are discharged from Title 10 active duty status.

It is imperative post-deployment, that our members while still on active duty deployment orders, be examined confidentially at the home station by qualified health care providers in order to address the under reporting of physical and mental health conditions that occurs on the self administered Post Deployment Health Assessment

(PDHA). The PDHA is currently being completed by a homeward-bound member at a demobilization site often several States away from home.

When the PDHA is completed, it is accompanied by the “instruction” that the self assessing member may be “medically held” on active duty at the demobilization site if he or she reports a medical condition requiring that action. To avoid the risk of being held at the demobilization site after a long deployment, members are simply not fully reporting their physical and behavioral injuries. This under-reporting not only delays treatment and the critical identification of a service connected injury but can prejudice later claims with the VA for service connected disabilities arising from conditions not previously reported on the PDHA.

What is disturbing is the revelation that although blood is being drawn from our members at the demobilization station, the blood is not being analyzed only stored. This is a wasted screening opportunity for our members at the most critical time before reintegration. (See the message attached from Dr. Dana Headapohl)

What is needed forthwith is fully analyzed blood and lab work provided to the member before he or she is released from active duty. This needs to be combined with giving our members returning from deployment at least the option of obtaining a free and confidential sharing of any laboratory data and the reporting of physical and mental health conditions at the home station, stigma free, to a health care provider trained both to elicit medical and behavioral that information and to properly screen the member without the member's fear of being medically held far from home. If medically holding the member is advisable, it should be done as close to home as possible.

The irony in the current PDHA under-reporting phenomenon is that a medical hold is usually in the best interest of the member and his or her family as it allows pay and benefits to continue during treatment for a condition that may well render the member unemployable once discharged. The medical hold should not cynically be administered as a threat to discourage reporting of injuries when, if properly administered in a friendly environment, it offers substantial benefits to the members and his or her family.

Insurance companies, in performing their due diligence before the issuance of an insurance policy do not allow an applicant's self assessment of health to be the only determinant. Neither should the military. If geographical separation from families is causing under reporting and non-reporting of physical and psychological combat injuries on the PDHA, then moving this process to the home station would likely produce a better yield at a critical time when this information needs to be captured in order for prompt and effective treatment to be administered. If necessary and appropriate, the examining health care provider in coordination with the National Guard J-1 and State's Surgeon General can cause the member to be retained on active duty locally for further treatment and evaluation.

This is especially critical in screening for behavioral conditions. It is absolutely imperative that members returning from deployment be screened with full confidentiality at the home station while still on active duty by trained and qualified mental health care providers from VA staff and/or qualified health care providers from the civilian community that could include primary care physicians, physician assistants and nurse practitioners who have training in assessing psychological health presentations. Prompt diagnosis and treatment will help to mitigate the lasting effects of mental illness.

Please see the copy of a November 5, 2008 electronic message to NGAUS from Dr. Dana Headapohl (a practicing occupational physician in Missoula, MT) set forth below which strongly recommends a surveillance program for our members before they are released from active duty. Dr. Headapohl opines the obvious in stating that **“... inadequate medical screening of our members before they are released from active duty is “unacceptable to a group that has been asked to sacrifice for our country.” (emphasis added)**

Colonel Duffy—I am sending links to articles about the importance of providing medical surveillance examinations for workers in jobs with specific hazardous exposures. I believe this approach could be modified to evaluate National Guard members returning from Iraq and Afghanistan for PTSD, TBI and depression.

The OSHA medical surveillance model includes the following basic elements:

1. Identification of potential hazardous exposures (chemical, physical, biologic).
2. Screening workers for appropriateness of placement into a specific work environment with such exposures. For example, individuals with compromised liver functions should not be placed in environments with unprotected exposures to hepatotoxins.

3. Monitoring workers after unprotected exposure incidents. Examples- monitoring pulmonary function in a worker exposed to a chlorine gas spill, or following hepatitis and HIV markers in a nurse after a needle stick injury.
4. Conducting exit examinations at the end of an assignment with hazardous exposures, to ensure that workers have not suffered adverse health effects from those exposures.

(including concussive explosions or other traumatic events).

Surveillance exams of all types (OSHA mandated surveillance programs, population health screening for chronic disease risk factors) have been a part of my practice of Occupational and Preventive Medicine in Montana for the past 22 years. Early diagnosis and treatment is especially essential for potential medical problems facing military members serving in Iraq and Afghanistan—Post-Traumatic Stress Disorder (PTSD), Traumatic Brain Injury (TBI) and depression. Timely diagnosis and aggressive treatment is essential especially for these problems, to maximize treatment success and functioning and to mitigate suffering.

There are a number of organizations that design and implement medical surveillance programs. There is no reason the same approach could not be applied to the specific exposures and potential medical problems facing National Guard troops in Iraq and Afghanistan. With proper program design and local provider training, this program would not need to be costly. In my clinical experience, male patients especially are more likely to report symptoms of PTSD, TBI, or depression in the context of an examination rather than questionnaire. Findings can present subtly, but if untreated can have devastating effects on the individual, family and work place.

In my practice, I have seen a number of Vietnam veterans, and more recently National Guard members who have returned from deployment in Iraq or Afghanistan, who have been inadequately screened and/or are suffering unnecessarily because of geographical barriers to adequate treatment. This is unacceptable treatment of group that has been asked to sacrifice for our country. They deserve better.

I applaud your organization's efforts to lobby for better post deployment screening and treatment of the National Guard members returning from Iraq and Afghanistan.

Dana Headapohl, M.D.

<http://www.aafp.org/afp/20000501/2785.html>

[https://www.desc.dla.mil/DCM/Files/QSRHealth%20Medical%20Exam\\_1.pdf](https://www.desc.dla.mil/DCM/Files/QSRHealth%20Medical%20Exam_1.pdf). This is about military surveillance exams.

<http://www.lohp.org/graphics/pdf/hw24en06.pdf>

<http://www.cdc.gov/niosh/sbw/management/wald.html>

[http://www.ushealthworks.com/Page.aspx?Name=Services\\_\\_MedSur](http://www.ushealthworks.com/Page.aspx?Name=Services__MedSur)

#### **NGAUS Resolution to establish equitable treatment of National Guard members, veterans and retirees**

The following current NGAUS resolution sets forth a list of several benefits our membership has asked Congress to adjust in order to provide equitable treatment for our National Guard members, veterans and retirees.

#### 131st NGAUS GENERAL CONFERENCE RESOLUTION—J #26 RELATING TO EQUITABLE TREATMENT OF ALL NATIONAL GUARD MEMBERS, RETIREES AND VETERANS

#### **Recommendation**

To ensure more equitable treatment of members and veterans of the National Guard, the National Guard Association of the United States supports:

- A. Eliminate the disparity between Title 10 and Title 32 service by making retiree medical benefits of Title 32 Active Guard and Reserve (AGR) service-members the same as Title 10 active component (AC) members
- B. Institute a funding mandate to allow priority use of Qualified Military Buglers in a Retired Status (QMBIRS) at funeral honors when an active duty or reserve bugler is not available
- C. Allow for a seamless transition from the Department of Defense (DoD) to the Department of Veterans Affairs (VA)
- D. Provide eligibility to retired National Guard members Federal retired annual payment for residency in State veterans' homes, and limit their required payment to no more than 50 percent of the allowed VA rates

- E. Provide equal burial rights and veteran status for National Guard and Reserve members who have successfully completed their military service obligation
- F. Increase burial plot allowance to \$1,000
- G. Change the definition of a “veteran” to include traditional National Guard Soldiers and Airmen who have served honorably in the National Guard for qualification to receive veteran benefits
- H. Provide parity of compensation for special skills and qualifications consistent with active component special pay, compensation, and benefits
- I. Establish parity with the active forces in the administration, rates and eligibility standards for Chapter 1606 Montgomery GI Bill benefits
- J. Revise the annual point limitation on the number of inactive duty points creditable toward reserve component retirement so that it is subject only to a cap of 365/366 on all annual points earned for reserve retirement
- K. Allow all dual status military technicians to receive enlistment/reenlistment bonuses, student loan repayments
- L. Matching pay increases for active duty pay and retired pay for cost of living adjustments
- M. Amend Section 1491 (b)(2) of Title 10 to set priority standards for the use of Qualified Military Buglers in Retired Status (QMBIRS) whenever available prior to using any recording to sound “Taps”
- N. Require at least two members of the funeral honors detail for a veteran’s funeral to be members of the armed forces (other than members in a retired status), with at least one of them a member of the armed force of which the deceased veteran was a member; the remainder of the detail may consist of members of the armed force (including members in a retired status), or members of veterans organizations or other organizations approved for purposes of this section under regulations prescribed by the Secretary of Defense; military buglers (including members in a retired status) are preferred for the playing of “Taps”
- O. Clarify the use of QMBIRS and the uniform requirements in Title 10, Section 1491 (b)(2) and (c)
- P. National Guard Bureau solicit those QMBIRS members available for military funeral honors duty to capitalize on this valuable source of military buglers
- Q. Amend Title 38 to allow additional education benefits to all post 9/11 veterans who would have otherwise been qualified for educational benefits had their benefits not previously been exhausted
- R. Amend the language in the new Post-9/11 GI Bill to allow for the portability of any unused benefit to immediate family members of an eligible servicemember, living or deceased
- S. Holding the GI Bill education benefits of a deceased member in trust for any minor dependent of the servicemember, until the minor dependent reaches the age of 18, when the benefit should enter the 15 year use window, not the age 26 restriction currently in the legislation
- T. Provide that the education benefits be seen as an “account” for the family, and to be used by any and all family members subject to the stressors of the military lifestyle
- U. Pay the education benefit account in its entirety upon the death of the servicemember when the death occurs as a result of an act of war or terrorism
- V. Cap the education benefit only by a dollar figure, not the number of beneficiaries
- W. Allow minor children of servicemembers the same 15 year period in which to utilize the benefit upon reaching the age of 18
- X. Eliminate the disparity between Title 10 and Title 32 education benefits under the Post-9/11 GI Bill by extending full benefits under the law to include Title 32 Active Guard and Reserve (AGR) servicemembers
- Y. Include full-time Title 32 active duty service in the calculation of benefits under the Post-9/11 GI Bill
- Z. Provide a full 4-year college education to members of the National Guard who have been discharged because of a service-connected disability arising from Title 32 active duty service.

- a. Amend Title 10,16163(a)2 to include retention of Chapter 1607 entitlements for those servicemembers who complete their service contract in both the Individual Ready Reserve (IRR) and Inactive National Guard (ING) (6 years selected reserve, 2 years IRR or ING) under honorable conditions

JOINT PERSONNEL TASK FORCE  
NOTHING FOLLOWS

---

Committee on Veterans' Affairs  
Subcommittee on Economic Opportunity  
Washington, DC.  
*April 20, 2010*

The Honorable Raymond M. Jefferson  
Assistant Secretary for Veterans' Employment and Training  
U.S. Department of Labor  
200 Constitution Avenue, NW  
Washington, D.C. 20210

Dear Assistant Secretary:

I would like to request your response to the enclosed questions for the record and deliverable I am submitting in reference to our House Committee on Veterans' Affairs Subcommittee on Economic Opportunity hearing on the *Status of Veterans Employment* on April 15, 2010. Please answer the enclosed hearing questions by no later than Tuesday, May 18, 2010.

In an effort to reduce printing costs, the Committee on Veterans' Affairs, in cooperation with the Joint Committee on Printing, is implementing some formatting changes for material for all full Committee and Subcommittee hearings. Therefore, it would be appreciated if you could provide your answers consecutively on letter size paper, single-spaced. In addition, please restate the question in its entirety before the answer.

Due to the delay in receiving mail, please provide your response to Ms. Orfa Torres by fax at (202) 225-2034. If you have any questions, please call (202) 226-5491.

Sincerely,

Stephanie Herseth Sandlin  
*Chairwoman*

JL/ot

---

**Deliverable from the House Committee on Veterans' Affairs  
Subcommittee on Economic Opportunity  
Hearing on Status of Veterans Employment  
April 15, 2010  
Questions for the Record:**

**Questions:** Are all the Disabled Veterans' Outreach Program Specialists and Local Veterans' Employment Representatives performing adequately?

**Response:** Based upon performance metrics, the Disabled Veterans' Outreach Program Specialists (DVOPs) and Local Veterans' Employment Representatives (LVERs) are presently performing adequately. For the last program year, the entered employment rate (EER) achieved by all job seekers served at One-Stop Career Centers was 60 percent and the employment retention rate (ERR) was 80 percent. Veteran job seekers served by DVOPs and LVERs achieved an EER of 60 percent and an ERR of 81 percent. In addition the Veterans served by DVOPs and LVERs achieved average annual earnings of approximately \$32,000, compared with average annual earnings of approximately \$22,000 achieved by all job seekers.

**Question 2:** Which groups of Veterans are struggling the most with employment?

**Response:** The unemployment rate for Veterans 20 to 24 years of age has consistently exceeded that for non-Veterans. In 2009, the unemployment rate for these Vet-



erans was 21.1 percent, which translates to an estimated 50,000 unemployed young Veterans in this age group. However, about 9 months after discharge, the unemployment rate for young Veterans decreases to a lower level than the unemployment rate for young non-Veterans. For older age groups, the unemployment rates of Veterans and non-Veterans are similar. In April 2010, for example, the unemployment rates were 9.3 percent for non-Veterans and 9.1 percent for Veterans.

Disabled Veterans also continue to experience lower employment rates than other Veterans. According to the Bureau of Labor Statistics, only 71 percent of disabled Veterans from the Gulf War era II are employed, compared with 76.1 percent of nondisabled Veterans from that period.

The Veterans' Employment and Training Service VETS has established two programs specifically designed to address the employment needs of disabled Veterans. Our Recovery and Employment Assistance Lifelines (REALifelines) program provides one-on-one services to our wounded warriors to ease their transition into civilian employment. We have full-time REALifelines coordinators stationed at military treatment facilities to provide services to wounded, ill, or injured personnel.

We also initiated an outreach project called America's Heroes at Work. This initiative educates employers on issues affecting Servicemembers and Veterans who are living with Post-Traumatic Stress Disorder (PTSD) and/or Traumatic Brain Injury (TBI). This is a joint initiative with DOL's Office of Disability Employment Policy (ODEP) to help Veterans succeed in the workplace. This is a collaborative effort with the Departments of Defense, Veterans Affairs and Health and Human Services.

VETS also collaborates with VA's Vocational Rehabilitation and Employment (VR&E) program to serve disabled Veterans seeking employment. DVOPs identified as Intensive Service Coordinators are assigned to each VA regional office to ensure that Veterans participating in VR&E who are in need of employment services are appropriately referred and receive the services they need.

**Question 3:** In your testimony you state that you will begin a pilot program that will offer tailored intensive services. What services are you looking to offer and what type of Veterans are you seeking to target?

**Response:** We are refocusing the efforts of DVOPs to increase the delivery of specialized intensive services. DVOPs will provide intensive services to meet the employment needs of eligible Veterans with emphasis on economically or educationally disadvantaged Veterans and other Veterans with barriers to employment. The full range of intensive services identified under the Workforce Investment Act include: (1) comprehensive assessments, such as in-depth interviewing to identify employment barriers and employment goals; (2) development of individual employment plans; (3) group counseling; (4) individual counseling and career planning; (5) case management; and (6) other services, such as job-interviewing skills.

**Question 4:** Many Veteran service organizations raise concerns that Veterans are not getting priority of service. With shrinking State budgets how does DOL check to see that Veterans do get priority of service?

**Response:** We share the concerns expressed by the Veterans' Service Organizations (VSOs) that the intent of priority of service has not yet been fully achieved. However, VETS is collaborating closely with the Employment and Training Administration (ETA) to advance the implementation of priority of service. For example, ETA and VETS conduct an annual review of Veteran participation in all Department of Labor-funded workforce programs to evaluate priority of service.

Joint planning is also underway between VETS and ETA to assure priority of service is addressed in each State's performance plan. We have also initiated joint program reviews with ETA at the State level in order to monitor the implementation of priority of service. In November 2009, VETS and ETA issued joint guidance to the States following up on the priority of service regulations, which became effective in January 2009. It should be noted that VETS will continue to focus considerable effort on meeting priority of service requirements.

**Question 5:** Have the small businesses in the U.S. Chamber of Commerce raised any issues or concerns in hiring Veterans?

**Response:** VETS is engaged with the U.S. Chamber of Commerce, which has committed to providing our VETS team with access to their local chapters. This will improve access to employers for our State Veteran representatives. At a recent meeting sponsored by the U.S. Chamber of Commerce's National Chamber Foundation and hosted by Assistant Secretary Kathy Martinez from our Office of Disability

Employment Policy (ODEP) and myself, the following concerns were expressed by the employers in attendance:

- Matching the skill sets of Veteran candidates to employers' needs
- Information on Veterans' disabilities by employers if accommodations are required
- Agreement to a common point of access for employers to post job openings and for Veterans to post resumes
- Assistance for employers to determine the transferability of Veterans' military skills to the civilian sector

In order to respond to these concerns, we are reaching out through our State Directors to collaborate with State and local Chambers of Commerce. We are also working with the Society for Human Resource Management (SHRM) to enhance corporate hiring managers' appreciation for the value that Veterans bring to their organizations.

**Question 6:** According to the American Legion testimony, "Public Law 107-288 eliminated the requirement DOL-VETS review all workforce centers annually and this has minimized Federal oversight of the programs. The Assistant Secretary has drastically cut funds for this activity and established a policy that only 10 percent of the centers operated under title 38, USC, will be reviewed." In your opinion was this the right decision, and if so, why?

**Response:** The policy referenced in the American Legion's testimony was issued by VETS in 2004. We are currently reviewing this policy with the intent to make any needed improvements. We will advise the American Legion, and other VSOs of any policy changes.

**Question 7:** Why does the Veterans Workforce Investment Program operate in 15 States only?

**Question 7(a):** Is there a need to expand it?

**Response:** The number and locations of Veterans' Workforce Investment Program (VWIP) grantees are based on budgetary considerations and the quality of the proposals that are submitted. The FY 2009 appropriation of \$7.6 million supports 17 grants. Grants are competitively awarded based on merit. For FY 2010, VETS received an additional \$2 million in VWIP funding, which will allow us to fund four additional grants. The FY 2011 budget request will allow us to maintain that level of effort.

**Question 8:** You plan to raise awareness that spouses are eligible to attend Transition Assistance Program. What role will DoD play in the awareness program?

**Response:** DOL/VETS shares responsibility for the Transition Assistance Program (TAP) with the Departments of Defense (DoD), Veterans Affairs (VA) and Department of Homeland Security (DHS). The TAP Employment Workshop is the DOL/VETS component that is also available to spouses. DOL/VETS is the co-chair of the TAP Steering Committee which includes representatives from DoD, VA and DHS. The Steering Committee is involved in the efforts to design a targeted strategy to reach out to military spouses by encouraging them to attend TAP Employment Workshops. The Steering Committee, through the Military Services, is engaging the Family Support Centers to play a key role in raising spouses' awareness about the opportunity to attend TAP Employment Workshops.

**Question 9:** How big is the Veteran prison population?

**Response:** According to a 2007 Bureau of Justice Statistics report, the estimated number of Veterans incarcerated in State and Federal prisons is 156,000.

**Question 10:** What are the locations for the 17 grants awarded for Veterans' Green Energy Jobs?

**Response:** The locations of the current 17 VWIP Grantees are listed below.

#### PY 2009 VWIP Grantees

State	Grantee Name	City
AZ	County of Pima	Tucson
CA	Swords to Plowshares	San Francisco

## PY 2009 VWIP Grantees—Continued

State	Grantee Name	City
CA	United States Veteran Initiative	Long Beach
CO	Colorado Department of Labor and Employment	Denver
CT	The Workplace Inc.	Bridgeport
IN	Indiana Department of Workforce Development	Indianapolis
MA	Commonwealth of Massachusetts	Boston
MA	Veterans Inc. (formerly Massachusetts Veterans Inc)	Worcester
MD	Way Station, Inc.	Frederick
MN	RESOURCE, Inc.	Minneapolis
NC	Asheville Buncombe Community Christian Ministry Inc.	Asheville
NY	Veterans Outreach Center, Inc.	Rochester
OK	East Central University	Ada
OR	Community Solutions for Clackamas County	Oregon City
PA	Commonwealth of Pennsylvania, Dept.: Labor and Industry	Harrisburg
TX	American G.I. Forum National Veterans Outreach Program, Inc.	San Antonio
TX	Goodwill Industries of Houston, Inc.	Houston

Thank you for the opportunity to respond to these questions for the record.

Committee on Veterans' Affairs  
Subcommittee on Economic Opportunity  
Washington, DC.  
April 20, 2010

Ms. Christine M. Griffin  
Deputy Director  
Office of Personnel Management  
1900 E Street NW  
Washington, DC 20415

Dear Ms. Griffin:

I would like to request your response to the enclosed questions for the record and deliverable I am submitting in reference to our House Committee on Veterans' Affairs Subcommittee on Economic Opportunity hearing on the *Status of Veterans Employment* on April 15, 2010. Please answer the enclosed hearing questions by no later than Tuesday, May 18, 2010.

In an effort to reduce printing costs, the Committee on Veterans' Affairs, in cooperation with the Joint Committee on Printing, is implementing some formatting changes for material for all full Committee and Subcommittee hearings. Therefore, it would be appreciated if you could provide your answers consecutively on letter size paper, single-spaced. In addition, please restate the question in its entirety before the answer.

Due to the delay in receiving mail, please provide your response to Ms. Orfa Torres by fax at (202) 225-2034. If you have any questions, please call (202) 226-5491.

Sincerely,

Stephanie Herseth Sandlin  
*Chairwoman*

JL/ot

---

**United States Office of Personnel Management  
Responses to Questions for the Record  
Hearing on the Status of Veterans Employment  
Held on April 15, 2010**

**Question 1:** What is OPM doing to educate hiring managers on the various hiring authorities?

**Response:** OPM is currently in the process of designing and developing mandatory annual training for hiring managers and human resources (HR) practitioners on veterans' preference and special veterans' hiring authorities, as mandated by Executive Order (E.O.) 13518. Veterans' preference eligibility (preference eligibles) includes certain non veteran individuals, such as widows and widowers, spouses, and mothers, who derive their preference from the death or disability of a veteran. In addition, we are developing training on the Uniformed Services Employment and Reemployment Rights Act (USERRA), and noncompetitive appointment of military spouses as part of this initiative.

We will ensure that this training can be deployed in the GoLearn/USALearning environment and ensure that reports on individuals who have completed the training can be tracked.

Finally, we are planning to hold a Veterans Employment Symposium for agencies to ensure that Veterans Employment Program Offices and hiring managers have a firm foundation of knowledge, information, resources, and best practices regarding veterans' employment. The primary goal of this symposium is to provide a learning forum to discuss strategies and issues relating to the employment of veterans. The symposium will consist of presentations, workshops, and panel discussions on a wide variety of issues that impact the current state of veterans' employment in the Federal Government.

**Question 2:** The Committee has often heard that the Federal Career Intern Program is often used to by-pass veterans preference. Can you assure us that this is not happening?

**Response:** The term 'veterans preference' usually refers to the addition of points to a veteran's final score when competing for a competitive service appointment.

The Federal Career Intern Program (FCIP) involves an excepted service appointment at the outset. Agencies making appointments pursuant to the excepted service are not required to use points. The excepted service offers a range of approaches to the selection of candidates, each affording veterans their preference. When points are used, veterans receive their points in the usual way. When points are not used, veterans' preference is applied in other ways, pursuant to OPM regulations.

In all cases, whether or not points are used, veterans must receive the preference afforded them in law for that specific type of appointment.

OPM's mission ensures that veterans get the appropriate consideration and preference for every type of appointment. It also guarantees veterans that safeguards are in place, and that they have all the pertinent information needed to pursue their rights.

Consistent with the President's May 11, 2010 memorandum, OPM also plans on evaluating FCIP and providing the President with recommendations on that program.

**Question 3:** You referred to employed veteran on page two of your testimony. Can you tell us what employed entails in this case such as: full-time, part-time, interns, contractors, paid fellows, etc.?

In my testimony, I referred to the more than half a million veterans employed by the Executive Branch of the Federal Government according to our central personnel database file. These veterans may be full or part-time, seasonal, student, or other types of Federal employees. Companies who do business with the Federal Government and their employees (referred to as contractors) are not counted in this number.

**Question 4:** During a visit to a military base a veteran expressed concern about the age limit in some law enforcement agencies. Should the age limit requirement of 37 for law enforcement jobs be increased to 45 for veterans who bring the same skills?

**Response:** Based on controlling case law, qualified preference eligibles may now apply and be considered for vacancies regardless of whether they exceed the maximum entry age requirements identified at 5 U.S.C. § 3307. In order to determine whether it must waive a maximum entry-age requirement, an agency must first analyze the affected position to determine whether age is essential to the performance of the position. If the agency decides age is not essential to the position, then it must waive the maximum entry-age requirement for veterans' preference eligible applicants. In instances where the maximum entry-age is waived, the corresponding mandatory retirement age for these individuals will also be higher because it will be reached after 20 years of Law Enforcement Officer (LEO) service for the entitlement to an immediate enhanced annuity.

**Question 5:** Is it correct that for fiscal year 2008 the Federal Career Intern Program hiring accounted for 50 percent of the new professional/administrative hires at GS 5 to GS 9 levels?

**Response:** Yes. For fiscal year 2008, the amount of full time permanent (FTP) FCIP new hires was 56.9 percent, or 14,734 out of 25,904 total FTP new hires for that year.

FCIP has been referenced in a number of studies conducted by the Merit Systems Protection Board's Office of Policy and Evaluation and was the exclusive focus of a 2005 study entitled "Building High-Quality Workforce: The Federal Career Intern Program." (See <http://www.mspb.gov/netsearch/viewdocs.aspx?docnumber=224108&version=224327&application=ACROBAT>). The 2005 study surveyed FCIP in detail and highlighted certain perceived advantages of the program, including the ability to use more streamlined hiring processes and the ability to use the entire internship (typically 2 years) as a trial period to assess the qualifications and performance of the intern against established standards. It is likely that some of the growing interest in the program has resulted from such publicity.

However, consistent with the President's Memorandum, issued on May 11, 2010, OPM is currently reviewing FCIP and will make a recommendation within 90 days.

**Question 6:** Since hiring with the Federal Career Intern Program can be done without public notice is it limiting fair and open competition?

**Response:** Although public notice (i.e., advertising through USAJOBS.gov) is not required when filling jobs under FCIP, competition is not necessarily limited. Agencies may choose to advertise FCIP positions on USAJOBS.gov; agencies may choose to advertise on their own Web sites; or agencies may choose to use other social media. In addition, because FCIP positions are entry level, FCIP is often used as an on-campus recruiting tool; thereby advertising the positions on college campuses.

**Question 7:** Do you have any preliminary results from the implementation of Executive Order 13518?

**Response:** In our efforts to implement E.O. 13518, Federal agencies have begun the process of building an infrastructure to support the E.O. Since the signing of the E.O., OPM has launched a Governmentwide marketing campaign to brand "America's Veteran." In addition, we opened a Governmentwide and internal Veterans Services Office; launched an information portal [www.fedshirevets.gov](http://www.fedshirevets.gov) on Federal employment for veterans; released the Governmentwide Veterans Recruitment and Employment Strategic Plan; and are currently reviewing agency operational plans for adherence to the Governmentwide strategic plan.

Currently, all agencies covered under the E.O. have established Veteran Employment Program Offices and are providing employment services to veterans.

**Question 8:** On average are Federal agencies consciously hiring veterans or is more of coincidence?

**Response:** Federal agencies are striving to recruit and hire the best applicants, and veterans are among the best qualified applicants seeking Federal employment.

**Question 9:** According to VA testimony, OPM references Veterans Employment Coordination Service as a model for establishing Veterans' employment offices within Federal departments. Why?

**Response:** The Veterans Employment Coordination Service was used as a model because the service was established, fully functioning, and producing results. Additionally, it demonstrated to other Federal agencies how dedicated resources to the employment of veterans in a Department or agency could operate.

**Question 10:** In your written testimony you state that OPM has modified practices on how an agency pursues a request to "pass over" a preference eligible. How was this modified?

**Response:** We recently modified our procedures concerning an agency's request to pass over a preference eligible with a compensable service-connected disability of 30 percent or more for an excepted service position. In the past, agencies acted on such actions themselves. However, to ensure full compliance with controlling case law, we are requiring agencies to send pass over requests to us for adjudication. These procedures apply only to excepted service positions covered under title 5, United States Code, which have been excepted from the competitive service by the President or by OPM.

Therefore, at this time, pass over requests for veterans with a 30 percent or more compensable service-connected disability have to go to through OPM. This includes positions in the excepted and competitive service.

**Question 11:** Does OPM have an idea of what is the picture of the average veteran? Are they educated, have experience, non/combat arms, are jobs white collar or blue collar.

Veterans comprise approximately 25 percent of Federal Executive Employment with the following general characteristics:

- Male: 84 percent, Female: 16 percent;
- No Disability/Not Identified: 91 percent, Disabled: 9 percent
- White collar: 83 percent, Blue collar: 17 percent
- Minority: 32 percent, Non-minority: 68 percent
- With Bachelors: 35 percent, Without Bachelors: 65 percent
- Average age: 49
- Average salary: \$67,603

**Question 12:** Can you elaborate on your partnership with VA on the Vocational Rehabilitation and Employment Program?

**Response:** Since the inception of E.O. 13518, VA has been an integral partner to this initiative along with the Departments of Defense, Labor and Homeland Security. Our partnership is based on ensuring that we leverage the resources of not only the Vocational Rehabilitation and Employment program, but all the available resources that the Department of Veterans Affairs brings to bear for the training, recruitment, and employment of veterans and the success of this initiative.

**Question 13:** Is OPM going to introduce a more rigorous Federal Career Intern Program and if so what are the changes to the current version?

In accordance with the May 11, 2010 Presidential Memorandum—Improving the Federal Recruitment and Hiring Process, we will evaluate FCIP as established by E.O. 13162 of July 6, 2000. In addition we will provide recommendations concerning the future of that program, and propose a framework for providing effective pathways into the Federal Government for college students and recent college graduates.

**Question 14:** How often does OPM check Federal agencies for compliance with current law?

OPM's Merit System Audit and Compliance (MSAC) conducts rigorous oversight to ensure that Federal agencies comply with merit system principles, veterans' preference, and related H.R. laws and regulations. The frequency of OPM's H.R. audits varies based on agency size and OPM requirements.

We audit H.R. programs at small agencies on a 4-year cycle. The larger departments and agencies are required by OPM regulation to assess their own H.R. programs periodically with OPM's guidance and participation. Some large departments and agencies self-assess their entire H.R. operations every 2 years. The largest agencies in government may take longer. For agencies with longer self-assessment cycles, OPM will fill in the gap by independently auditing the agencies' use of dele-

gated hiring authority. OPM will generally audit every delegated examining unit in government every 3 years.

In FY 2009, OPM conducted independent H.R. audits at 92 Federal installations and 170 delegated examining units. OPM also participated as full partners in an additional 176 agency-led H.R. audits. In each of these audits, OPM ensured that these agencies followed veterans' preference and adhered to merit system principles.

---

Committee on Veterans' Affairs  
Subcommittee on Economic Opportunity  
Washington, DC.  
*April 20, 2010*

Mr. Willie Hensley  
Principal Deputy Assistant Secretary for  
Human Resources and Administration  
U.S. Department of Veterans Affairs  
810 Vermont Avenue, NW  
Washington, D.C. 20420

Dear Mr. Hensley:

I would like to request your response to the enclosed questions for the record and deliverable I am submitting in reference to our House Committee on Veterans' Affairs Subcommittee on Economic Opportunity hearing on the *Status of Veterans Employment* on April 15, 2010. Please answer the enclosed hearing questions by no later than Tuesday, May 18, 2010.

In an effort to reduce printing costs, the Committee on Veterans' Affairs, in cooperation with the Joint Committee on Printing, is implementing some formatting changes for material for all full Committee and Subcommittee hearings. Therefore, it would be appreciated if you could provide your answers consecutively on letter size paper, single-spaced. In addition, please restate the question in its entirety before the answer.

Due to the delay in receiving mail, please provide your response to Ms. Orfa Torres by fax at (202) 225-2034. If you have any questions, please call (202) 226-5491.

Sincerely,

Stephanie Herseth Sandlin  
*Chairwoman*

JL/ot

---

**Questions for the Record**  
**The Honorable Stephanie Herseth Sandlin**  
**House Committee on Veterans' Affairs**  
**Subcommittee on Economic Opportunity**  
**Status of Veterans Employment**  
**April 15, 2010**

**Question 1:** VA ranks first among non-Defense agencies in the number of Veterans hired. What is VA doing differently from other Federal agencies to account for the numbers?

**Response:** Helping Veterans overcome some of the employment challenges was a primary reason for establishing the VA National Veterans Employment Program (NVEP) in 2001, and more recently, the Veterans Employment Coordination Service in 2007. Under these initiatives, Veterans learn valuable information about Veterans' preference and how to use it effectively to gain employment in the Federal Government. They also learn key aspects of how to maneuver through the Federal hiring process and how special hiring authorities established specifically for Veterans can assist them in the selection process. These efforts provided dedicated, full-time employees to the mission of attracting, recruiting, and hiring Veterans in the Department. We aggressively pursue outreach to Veterans at Veteran or Military-related career fairs, and work with both the Army's Wounded Warrior Program and

the Marine Corps' Wounded Warrior Regiment to identify potential Veteran applicants. At the same time, we encourage our hiring managers, selecting officials, and Human Resources professionals to make maximum use of the provisions of Veterans' preference and the non-competitive appointing authorities available to hire Veterans.

**Question 2:** Can you elaborate on how the Veteran Employment coordinators came about, its size, and day-to-day duties?

**Response:** In November, 2007, the Secretary of Veterans Affairs announced the creation of the Veterans Employment Coordination Service within the Office of Human Resources Management to attract, recruit, and hire Veterans into VA nationwide, particularly severely injured Veterans from Iraq and Afghanistan.

In addition to the Director and Deputy, the office consists of nine Regional Veterans Employment Coordinators (VECs) located throughout the U.S. to focus these efforts within the VA and to work with those Veterans interested in employment at VA locations nationwide.

Regional VECs are located in Seattle, WA; San Diego, CA; Denver, CO; San Antonio, TX; Augusta, GA; Louisville, KY; Fayetteville, NC; New York City, NY, and Washington, DC.

Regional VECs also work closely with over 200 previously-established collateral duty VECs at local Human Resources offices nationwide to identify potential employment opportunities and work with selecting officials.

Regional VECs assist Veterans by providing hands-on case management to include:

- Skills qualification and career match
- Introduction to VA careers
- Resume and Knowledge, Skills and Ability (KSA) preparation
- Job interview techniques
- Collaboration with Vocational Rehabilitation and Employment Service

Veterans Employment Coordination Service conducts monthly Local VEC Conference Calls to disseminate information, coordinate efforts, and discuss best practices (calls average between 60–75 participants).

By helping to ensure that managers and supervisors throughout the VA are aware of the special hiring authorities at their disposal, VA hopes to open opportunities to Veteran employment.

**Question 3:** What existing authorities does the Interagency Council on Veterans Employment seek to leverage and what new strategies have been identified to recruit and hire homeless Veterans.

**Response:** VA seeks to maximize the understanding and use of existing Veterans employment authorities to include the Veterans Employment Opportunities Act, Veterans Recruitment Appointment, and 30 percent or more Service-connected disabled Veterans appointment authority. In addition, the Interagency Council on Veterans Employment has established a working group chaired by VA's Assistant Secretary for Human Resources and Administration, to look specifically at these existing authorities and make any recommendations to improve or expand those authorities. Those recommendations are due to the Council by mid-July 2010.

**Question 4:** Is the National Recruitment Initiative limited to hiring only people with a medical background?

**Response:** The National Recruitment Initiative is limited to hiring medical professionals to improve recruitment of hard to fill positions within the Veterans Health Administration (VHA). The program provides guidance and support to Veterans Integrated Service Networks (VISN) recruiters in development of student employment and internship programs to build student recruitment pipelines. It also focuses on engaging hiring managers in the process to profile skill sets of highly qualified candidates.

The Hiring Recruitment Initiative generates cost-savings by consolidating recruitment and marketing efforts across geographic regions. It also has resulted in reduced contracting costs in some areas. Through this initiative VA actively applies a wide variety of private sector recruitment and social networking strategies to identify potential candidates for specific positions. VA intends to expand the National Recruitment Initiative program and conceivably use it to recruit for administrative positions as well.



**Question 5:** In the written testimony you mentioned that OPM references Veterans Employment Coordination Service as a model for establishing Veterans' employment offices within other Federal agencies. What agencies have been referred to the VA?

**Response:** The Director of the VA Veterans Employment Coordination Service presented an informational briefing during a recent Office of Personnel Management-sponsored Chief Human Capital Officers Training Academy forum. In addition, the Director and Deputy Director provided in-depth presentations to Human Resources officers at: State Department, NASA, Department of Health and Human Services, Department of Commerce, Environmental Protection Agency, Department of Education, and the National Institutes of Health.

**Question 5(a):** Of those agencies, which have successfully established a Veterans Employment Coordination Service?

As of March, 2010, all of the Chief Human Capital Officer (CHCO) agencies including those listed above have established a Veteran Employment Program Office in accordance with the recent Veterans Employment Initiative launched by the President's November 2009 Executive Order.

**Question 6:** How does the VA work to help homeless Veterans who are interested in working for the VA but are faced with some or all of the deterring aspects that you mentioned, such as being unable to commute to interviews or worksites or being unable to dress suitably for a job interview?

**Response:** VA's Compensated Work Therapy program helps Veterans obtain job skills to include preparing resumes and learning interviewing techniques. VA also provides a transportation subsidy to assist Veterans in getting to interviews. Additionally, VA collaborates with the Department of Labor's Homeless Veteran Reintegration Program to assist Veterans in both preparing for, and gaining, employment. VA's Vocational Rehabilitation and Employment Service helps disabled Veterans with job preparation and training needs.

**Question 7:** Has the VA previously hired any homeless Veterans?

**Response:** Although VA does not currently have a listing of the number of previously homeless Veterans employed by VA, we do know that thousands have received VA services. By informal reports VA is aware of several hundred Veterans being hired each year through supportive employment programs with many eventually serving in full time employment in a variety of positions. VA will focus on a means to capture how many Veterans participated in a homeless program in the past and now work for VA. In the future, the homeless registry will provide us with real time information.

**Question 8:** Regarding the 90,000 hires, is this strictly full-time employees or does this include others such as paid interns, fellows, part-time employees and contractors?

**Response:** The 90,000 Veteran employees include full-time and part-time employees and intermittent work schedules including student trainees. This does not include medical residents, those on extended leave without pay, volunteers or contractors.

